

LEGISLATIVE JOURNAL
OF THE
STATE OF NEBRASKA
Volume 1

NINETY-SECOND LEGISLATURE
FIRST SPECIAL SESSION

1991

Convened July 8, 1991

Adjourned July 19, 1991

LINCOLN, NEBRASKA

Compiled

Under the Authority of the Legislature

by

PATRICK J. O'DONNELL, CLERK

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LEGISLATURE

MEMBERS

Dist.	Name	Address	Occupation	Counties
1	Spencer W. Morrissey	Tecumseh	Track Inspector	Johnson, Nemaha, Otoe*, Pawnee, Richardson
2	Roger R. Wehrbein	Plattsmouth	Farmer/Feeder	Cass, Otoe*
3	Emil E. Beyer, Jr.	Gretna	Real Estate Investments, Catering	Douglas*, Sarpy*
4	Thomas R. Horgan	Omaha	President, Nebraska Independent College Foundation	Douglas*
5	Bernice Labedz	Omaha	Retired	Douglas*
6	Brad Ashford	Omaha	Attorney	Douglas*
7	Timothy J. Hall	Omaha	Douglas*
8	Eric Will	Omaha	State Senator	Douglas*
9	John C. Lindsay	Omaha	Attorney	Douglas*
10	Carol McBride Pirsch	Omaha	Manager of	Douglas*
			Customer Relations	
11	Ernie Chambers	Omaha	Defender of	Douglas*
			the Downtrodden	
12	Chris Abboud	Omaha	Attorney at Law	Douglas*
13	Daniel C. Lynch	Omaha	Insurance	Douglas*
14	Ron Withem	Papillion	Executive Director of	Sarpy*
			Mechanical Contractor's Assoc.	
15	Lowell C. Johnson	North Bend	Farm and Property Management	Dodge*
16	C. N. "Bud" Robinson	Blair	Educator and Businessman	Burt, Cuming*, Thurston, Washington

Dist.	Name	Address	Occupation	Counties
17	Gerald Conway	Wayne	Professor, Consultant	Dakota, Dixon, Wayne*
18	Stan Schellpeper	Stanton	Farmer/Feeder	Colfax, Cuming*, Dodge*, Stanton
19	Elroy M. Hefner	Coleridge	Business Executive	Cedar, Knox, Pierce, Wayne*
20	Jessie K. Rasmussen	Omaha	Special Ed. Teacher	Douglas*
21	Richard Peterson	Norfolk	Farmer/Beekeeper/ Businessman	Madison
22	Jennie Robak	Columbus	Homemaker/Disaster Reservist FEMA	Boone*, Nance, Platte*
23	Loran Schmit	Bellwood	Farmer	Butler, Platte*, Saunders
24	Scott Moore	Seward	Farmer/State Senator	Polk*, Seward, York
25	Jerome Warner	Waverly	Livestock/Farming	Lancaster*
26	Don Wesely	Lincoln	Senior Research Associate-LTT	Lancaster*
27	DiAnna R. Schimek	Lincoln	Realtor	Lancaster*
28	Chris Beutler	Lincoln	Attorney, Businessman	Lancaster*
29	La Von Crosby	Lincoln	Community Volunteer	Lancaster*
30	Dennis M. Byars	Beatrice	Development Officer for Martin Luther Home	Gage, Jefferson*
31	Jerry Chizek	Omaha	Public Affairs Manager	Douglas*
32	George Coordsen	Hebron	Farmer	Fillmore, Jefferson*, Saline, Thayer
33	Ardyce L. Bohlke	Hastings		Adams
34	Rod Johnson	Sutton		Clay, Hall*, Hamilton, Merrick, Polk*
35	Arlene Nelson	Grand Island	State Senator	Hall*

Dist.	Name	Address	Occupation	Counties
36	Jim D. Cudaback.....	Riverdale.....	Property Manager.....	Buffalo*, Hall*
37	Douglas A. Kristensen.....	Minden.....	Attorney.....	Buffalo*, Franklin, Kearney, Nuckolls, Webster
38	W. Owen Elmer.....	Indianola.....	Agri-Business.....	Frontier, Furnas, Gosper, Harlan, Lincoln*, Red Willow
39	Edward J. Schrock.....	Elm Creek.....	Farmer.....	Dawson, Phelps
40	Merton L. Dierks.....	Ewing.....	Veterinarian/Rancher.....	Antelope, Boone*, Boyd, Holt
41	Carson H. Rogers.....	Ord.....	Pork Producer.....	Custer*, Garfield, Greeley, Hall*, Howard, Loup, Sherman, Valley, Wheeler
42	David F. Bernard-Stevens.....	North Platte.....	Educator/State Senator.....	Lincoln*
43	Howard A. Lamb.....	Anselmo.....	Rancher.....	Blaine, Brown, Cherry, Custer*, Hooker, Keys Paha, Logan, McPherson, Rock, Thomas
44	Rex Haberman.....	Imperial.....	State Senator.....	Arthur, Chase, Deuel, Dundy, Grant, Hayes, Hitchcock, Keith, Lincoln*, Perkins
45	D. Paul Hartnett.....	Bellevue.....	College Professor.....	Sarpy*
46	David Landis.....	Lincoln.....	College Instructor.....	Lancaster*
47	Dennis G. Baack.....	Kimball.....	Consultant.....	Banner, Cheyenne, Garden, Kimball, Morrill, Scotts Bluff*
48	Joyce Hillman.....	Gering.....	Scotts Bluff*
49	Wm. R. "Bob" Wickersham.....	Harrison.....	Attorney.....	Box Butte, Dawes, Sheridan, Sioux

Clerk

Patrick J. O'Donnell Lincoln

RULES OF THE LEGISLATURE

Rules in effect at the commencement of the Ninety-Second Legislature, First Special Session, 1991, are the same rules in effect at the commencement of the Ninety-Second Legislature, Second Session.

FIRST DAY - JULY 8, 1991

LEGISLATIVE JOURNAL

NINETY-SECOND LEGISLATURE FIRST SPECIAL SESSION

FIRST DAY

Legislative Chamber, Lincoln, Nebraska
Monday, July 8, 1991

Pursuant to a proclamation by His Excellency, E. Benjamin Nelson, Governor of the State of Nebraska, the Ninety-Second Legislature, First Special Session, assembled in the West Legislative Chamber of the State Capitol, at the hour of 3:00 p.m., Monday, July 8, 1991, and was called to order by President Moul.

PRAYER

The prayer was offered by Rev. Harland Johnson, Chaplain Coordinator.

ROLL CALL

The roll was called and the following members were present:

Abboud, Chris	Haberman, Rex S.	Nelson, Arlene
Ashford, Brad	Hall, Tim	Peterson, Richard
Baack, Dennis	Hartnett, D. Paul	Pirsch, Carol McBride
Bernard-Stevens, David F.	Hefner, Elroy M.	Rasmussen, Jessie K.
Beutler, Chris	Hillman, Joyce	Robak, Jennie
Beyer, Emil E., Jr.	Horgan, Thomas R.	Robinson, C. N. Bud
Bohlke, Ardyce L.	Johnson, Rod	Rogers, Carson
Byars, Dennis M.	Kristensen, Doug	Schellpeper, Stan
Chambers, Ernie	Labedz, Bernice	Schimek, DiAnna R.
Conway, Gerald	Lamb, Howard A.	Schmit, Loran
Coordsen, George	Landis, David M.	Schrock, Edward
Crosby, LaVon	Lindsay, John C.	Wehrbein, Roger R.
Cudaback, Jim D.	Lynch, Daniel C.	Wesely, Don
Dierks, Merton L.	Moore, Scott	Wickersham, William R.
Elmer, W. Owen	Morrissey, Spencer W.	

Will, Eric
Withem, Ron

The following members were excused:

Chizek, Jerry Johnson, Lowell C. Warner, Jerome

DECLARATION

Pursuant to a proclamation issued by the Honorable E. Benjamin Nelson, Governor of Nebraska, we are here and now assembled in the 92nd Legislature, 1st Special Session of the Nebraska Legislature. I, as Lieutenant Governor, declare that we are now open for the transaction of business.

(Signed) Maxine Moul
Lieutenant Governor

CERTIFICATE

STATE OF NEBRASKA

United States of America,)
) ss. Department of State
State of Nebraska)

I, Allen J. Beermann, Secretary of State of the State of Nebraska do hereby certify that the attached is a true and correct copy of a Proclamation by the Governor of the State of Nebraska calling an Extraordinary (Special) Session of the Legislature.

I hereby certify that said document was filed in the office of the Secretary of State on the second day of July, 1991.

Finally, I hereby certify that copies of this proclamation are on file in the office of Secretary of State and are a matter of public record.

In Testimony Whereof, I have hereunto set my hand and affixed the Great Seal of the State of Nebraska.

Done at Lincoln this eighth day of July in the year of our Lord, one thousand nine hundred and ninety-one.

(SEAL)

Allen J. Beermann, Secretary of State

PROCLAMATION

BY VIRTUE OF THE AUTHORITY VESTED in the Governor by Article IV, Section 8, of the Constitution of the State of Nebraska, I, E. Benjamin Nelson, as Governor of the State of Nebraska, believing that an extraordinary occasion has arisen, DO HEREBY CALL the Legislature of Nebraska to convene in extraordinary session at the State Capitol on July 8, 1991 at 3:00 pm for the purpose of considering and enacting legislation on only the following subjects:

1. Proposals to submit to the electorate amendments to Article 8, Sections 1 and 2 of the Constitution of the State of Nebraska to authorize the Legislature to classify and exempt from taxation certain classes of personal property and provide for a special election to submit such amendments to the electors.
2. Legislation to change the date for the certification of a levy of a property tax for tax year 1991 by any political subdivision of the State of Nebraska.
3. Appropriate funds for the necessary expenses of a special election for the adoption of a constitutional amendment.
4. Appropriate funds for the necessary expenses of the extraordinary session herein called.

I direct that members of the Legislature of the State of Nebraska be notified of the convening of this extraordinary session by presenting to each of them a copy of this Proclamation.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the Great Seal of the State of Nebraska to be affixed this Second day of July, in the year of our Lord One Thousand Nine Hundred and Ninety-one.

(Signed) E. BENJAMIN NELSON
Governor

(SEAL)Attest:

(Signed) ALLEN J. BEERMANN
Secretary of State

MOTION - Election of Officers

Mr. Baack moved that the following officers be elected to serve for the Ninety-Second Legislature, First Special Session:

Clerk of the Legislature
 Assistant Clerk of the Legislature
 Sergeant at Arms
 Chaplain Coordinator

Patrick J. O'Donnell
 Richard K. Brown
 Carl E. Kamprath
 Harland Johnson

The motion prevailed.

CERTIFICATE**STATE OF NEBRASKA**

United States of America,)
) ss.
 State of Nebraska)

Department of State

I, Allen J. Beermann, Secretary of State of the State of Nebraska do hereby certify that the attached represents a true and correct roster of members of the Nebraska Unicameral Legislature serving in the Ninety-second Legislature, First Extraordinary (Special) Session, called by the Governor to commence on July 8, 1991 at 3 o'clock P.M.

Further, I hereby certify that all members whose names appear on the roster with the district designation have been duly elected or appointed to serve as a member of the Legislature in the Ninety-second Legislature, First Extraordinary (Special) Session.

Finally, I hereby certify that all election or appointment records are a matter of public record in the office of Secretary of State.

In Testimony Whereof, I have hereunto set my hand and affixed the Great Seal of the State of Nebraska.

Done at Lincoln this eighth day of July in the year of our Lord, one thousand nine hundred and ninety-one.

(SEAL)

Allen J. Beermann, Secretary of State

DISTRICT	NAME	ELECTED
1	Spencer W. Morrissey	November 8, 1988
2	Roger R. Wehrbein	November 6, 1990
3	Emil E. Beyer, Jr.	November 8, 1988
4	Thomas R. Horgan	November 6, 1990
5	Bernice Koziol Labedz	November 8, 1988
6	Brad Ashford	November 6, 1990
7	Tim Hall	November 8, 1988
8	Eric Will	November 6, 1990
9	John C. Lindsay	November 8, 1988
10	Carol McBride Pirsch	November 6, 1990
11	Ernie Chambers	November 8, 1988
12	Chris Abboud	November 6, 1990
13	Daniel C. Lynch	November 8, 1988
14	Ron Withem	November 6, 1990
15	Lowell C. Johnson	November 8, 1988
16	C. N. Bud Robinson	November 6, 1990
17	Gerald Conway	November 8, 1988
18	Stan Schellpeper	November 6, 1990
19	Elroy M. Hefner	November 8, 1988
20	Jessie K. Rasmussen	November 6, 1990
21	Richard Peterson	November 8, 1988
22	Jennie Robak	November 6, 1990
23	Loran Schmit	November 8, 1988
24	Scott Moore	November 6, 1990
25	Jerome Warner	November 8, 1988
26	Don Wesely	November 6, 1990
27	DiAnna R. Schimek	November 8, 1988
28	Chris Beutler	November 6, 1990
29	LaVon Crosby	November 8, 1988
30	Dennis M. Byars	November 6, 1990
31	Jerry Chizek	November 8, 1988
32	George Coordsen	November 6, 1990
33	Ardyce L. Bohlke	Appointed 7-1-91 ***
34	Rod Johnson	November 6, 1990
35	Arlene Nelson	November 8, 1988
36	Jim D. Cudaback	November 6, 1990
37	Doug Kristensen	November 8, 1988
38	W. Owen Elmer	November 6, 1990
39	Edward Schrock	Appointed 12-31-90 *
40	Merton L. Dierks	November 6, 1990
41	Carson Rogers	November 8, 1988
42	David F. Bernard-Stevens	November 6, 1990

43	Howard A. Lamb	November 8, 1988
44	Rex S. Haberman	November 6, 1990
45	D. Paul Hartnett	November 8, 1988
46	David M. Landis	November 6, 1990
47	Dennis Baack	November 8, 1988
48	Joyce Hillman	November 6, 1990
49	Wm. R. Wickersham	Appointed 1-9-91 **

*Appointed 12-31-90 to replace William E. Barrett (resigned)

**Appointed 1-9-91 to replace Sandra K. Scofield (resigned)

***Appointed 7-1-91 to replace Jacklyn Smith (resigned)

RESIGNATION

June 27, 1991

Madam President
Nebraska State Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Members:

I have submitted my letter of resignation from the Legislature to the Governor with an effective date of July 1, 1991.

As I look back over my years in the Legislature, I find them to have been personally challenging and rewarding. I have met and become acquainted with wonderful Nebraskans representing all walks of life, have learned a great deal about our government and important issues facing the state, and have derived much satisfaction from knowing that so many dedicated individuals working together can make a difference.

I cherish the unique and special camaraderie that I have shared with you, the members of the body, since I first came to the Legislature in 1985. It has been a privilege and an honor to work with so many outstanding representatives who come together for a meeting of the minds so that "the good life" continues . . .and continually improves!

Though I will no longer be a legislator, I will continue to serve Nebraska as the Director of the Department on Aging and look forward to working with you in that capacity. My best wishes to each and every one of you as together we face our state's future.

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JS:dj

July 8, 1991

Dear Mr. O'Donnell:

More specifically, I enclose for your reference and for the Legislative Journal a copy of the resignation letter of Jacklyn J. Smith dated June 27, 1991; a copy of the appointment of Ardyce L. Bohlke on July 1, 1991 and finally, a copy of the official oath of office of Ardyce L. Bohlke as a member of the Nebraska Unicameral, District 33 on the first day of July, 1991.

Enclosures

STATE OF NEBRASKA

I, Allen J. Beermann, Secretary of State of the State of Nebraska do hereby certify that Ardyce L. Bohlke has been appointed as a

Member of the Nebraska Unicameral Legislature from the Thirty-third (33) District for the unexpired term of Jacklyn J. Smith, resigned. The term beginning July 1, 1991 shall continue until January 6, 1993 or such time as she shall satisfactorily perform all the duties imposed upon such officer by law, and until a successor is duly elected and qualified.

I further certify that the foregoing appointment was made by E. Benjamin Nelson under the authority granted by the Constitution and by Section 32-1042 of the Revised Statutes of Nebraska.

In Testimony Whereof, I have hereunto set my hand and affixed the Great Seal of the State of Nebraska.

Done at Lincoln this eighth day of July in the year of our Lord, one thousand nine hundred and ninety-one.

(SEAL)

Allen J. Beermann, Secretary of State

GUBERNATORIAL APPOINTMENT

KNOW ALL MEN BY THESE PRESENTS:

That I, E. Benjamin Nelson, Governor of the State of Nebraska, do hereby appoint Ardyce L. Bohlke of Hastings as Member of the Legislature, 33rd District.

This appointment shall take effect on July 1, 1991 and continue until January 6, 1993, provided you shall perform all the duties imposed by law.

Said appointee replaces Jacklyn J. Smith -- resigned.

Done at Lincoln, Nebraska, this 1st day of July 1991.

(Signed) E. Benjamin Nelson
Governor

(SEAL)

OFFICIAL OATH

State of Nebraska)
) ss.
County of Adams)

"I, Ardyce L. Bohlke, do solemnly swear (or affirm) that I will support the Constitution of the United States, and the Constitution

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of the State of Nebraska, and will faithfully discharge the duties of Member, Nebraska Unicameral Legislature, Dist. #33 according to the best of my ability, and that at the election at which I was chosen to fill said office, I have not improperly influenced in any way the vote of any elector, and have not accepted, nor will I accept or receive, directly or indirectly, any money or other valuable thing from any corporation, company or person, or any promise of office, for any official act or influence (for any vote I may give or withhold on any bill, resolution, or appropriation).”*

(Signed) Ardyce L. Bohlke

Subscribed in my presence and sworn to before me this 1st day of July, 1991.

(Signed) Judy J. Taylor
Notary Public

(SEAL)

*Constitution of the State of Nebraska,
Article XV, Section One.

MESSAGES FROM THE GOVERNOR

June 3, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Department of Environmental Control, requiring legislative confirmation.

Appointee: Randolph Wood, 1525 West Desert Broom Drive,
Chandler, AZ 85248, (602) 821-6793.

This appointment is respectfully submitted for your consideration.

(Signed) Sincerely,
E. Benjamin Nelson
Governor

EBN:bh

June 3, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Educational Telecommunications Commission requiring legislative approval.

Appointee: Dr. Charles Harrington (Reappointed), 808 West Park, Chadron, NE 69337, 308-432-3949 h, 308-432-6316 w.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

June 3, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Foster Care Review Board requiring legislative approval.

Appointee: Myrna J. Schmid, 1688 Woodsvlew, Lincoln, NE 68502, 402-423-5703 h, 402-436-1166 w.

This appointment is respectfully submitted for your consideration.

Sincerely,

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(Signed) E. Benjamin Nelson
Governor

EBN:fc

June 3, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Accountability and Disclosure Commission requiring legislative approval.

Appointee: Charles J. Dougherty, 12724 Burt St., Omaha, NE 68154, 402-496-2273 h, 402-280-2017 w.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

June 3, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Board of Trustees of Nebraska State Colleges requiring legislative approval.

Appointee: Wendell L. Quist, 1205 N. 121st St., Omaha, NE 68154, 402-493-3998 h, 402-330-2660 w.

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This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

June 4, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Accountability and Disclosure Commission requiring legislative approval.

Appointee: Michael F. Kinney (Reappointed), 505 Ridgewood Dr., Bellevue, NE 68005, 402-390-0300 w, 402-292-0599 h.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

June 5, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Educational Telecommunications Commission requiring legislative approval.

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Appointee: Dr. Thomas Reeves (Reappointed), 1820 N. Elm St., Hastings, NE 68901, 402-463-2402.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

June 19, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Foster Care Review Board requiring legislative approval.

Appointee: Vicki F. Powell (New Member), 820 Manchester Dr., Lincoln, NE 68528, 402-475-9113.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

June 19, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Board of Educational Lands and Funds requiring legislative approval.

Appointee: Robert E. Mundy, 10205 Brookside Ln., Omaha, NE 68124, 402-397-5440.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

June 19, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Research and Development Authority requiring legislative approval.

Appointee: Connie J. Day, 609 E. Maple St., Norfolk, NE 68701, 402-379-1440.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

June 19, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

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Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Research and Development Authority requiring legislative approval.

Appointee: Margaret Hornady, c/o Hornady Manufacturing,
P.O. Box 1848, Grand Island, NE 68802, 308-382-1390.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

June 21, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Department on Aging, requiring legislative confirmation.

Appointee: Jacklyn J. Smith, 2000 West Fifth, Hastings, NE
68901, (402) 462-8600.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:bh

June 25, 1991

Madam President, Mr. Speaker
and Members of the Legislature

State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Child Abuse Prevention Fund Board requiring legislative approval.

Appointee: Nancy Nielsen (Reappointed), 9750 Ascot Dr.,
Omaha, NE 68114, 402-392-0764.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

June 25, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Child Abuse Prevention Fund Board requiring legislative approval.

Appointee: Gay Angel McTate, 3131 N. 50th St., Omaha, NE
68104, 402-435-9213 h, 402-391-2477 w.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

June 25, 1991

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Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Child Abuse Prevention Fund Board requiring legislative approval.

Appointee: Susan A. Thomas, 1515 W. Sixth St., Hastings, NE 68901, 402-463-1492 h, 402-463-2666 w.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

June 25, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Child Abuse Prevention Fund Board requiring legislative approval.

Appointee: Louise D. Schleich, 6412 Chesterfield Ct., Lincoln, NE 68510-2361, 402-489-6508 h, 402-488-7368 w.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

June 28, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment as the State Fire Marshal, requiring legislative confirmation.

Appointee: Michael R. Durst, P.O. Box 30345, Lincoln, NE 68503, (402) 797-7375.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:bh

ATTORNEY GENERAL'S OPINION

Opinion No. 91054

DATE: June 14, 1991

SUBJECT: Public Records Act; Public Access to
Governmental Work in Progress

REQUESTED BY: E. Benjamin Nelson
Governor of Nebraska

WRITTEN BY: Don Stenberg, Attorney General
Dale A. Comer, Assistant Attorney General

You have requested our Opinion as to certain aspects of our state Public Records Act, Neb.Rev.Stat. §§ 84-712 et seq. (Reissue 1987), with respect to access to particular documents by a state senator. We will respond to your Opinion request below, after we have set out, in some detail, the facts as we understand them based upon correspondence from the senator and discussions with your counsel.

Senator Rod Johnson wrote to the state Policy Research Office (PRO) in February, 1991, requesting an update on a certain study done previously by the Department of Environmental Control (DEC) which gave estimates as to the possible liability exposure the State could experience should it withdraw from the Central Interstate Low-Level Radioactive Waste Compact. Senator Johnson also wrote to Dennis Grams, Director of DEC, in February, 1991, requesting technical assistance and information in that area. Neither of those requests sought specific documents, but rather both requests sought information and assistance from those agencies.

On April 16, 1991, you wrote to Senator Johnson and indicated that DEC would not do a financial analysis of the costs of withdrawing Nebraska from the Central Interstate Low-Level Radioactive Waste Compact. On that same date, Senator Johnson wrote to PRO and requested copies of a report which, by his understanding, had been prepared in response to his earlier February request for information. No materials were subsequently provided to Senator Johnson in response to his request.

Senator Johnson then wrote to you on May 16, 1991, under the provisions of the Public Records Act, and requested access to reports, draft reports, or other forms of documents which he understood were prepared by DEC and which reportedly contained information "regarding potential costs Nebraska may incur in the event that the present regional low-level radioactive waste facility site is not licensed." You did not respond specifically to that request, so Senator Johnson wrote to us on May 28 asking us to order access to the records in question under § 84-712.03. On June 3, 1991, you requested our Opinion as to whether governmental work in progress must be released under the Public Records Act.

In order to resolve this matter, we requested copies of the papers at issue from you in a letter dated June 3, 1991. You have now provided us with copies of those materials. Based upon our examination of those papers, and for the reasons stated below, we believe that portions of those records should be made available to the public including Senator Johnson.

Our state Public Records Act is found at Neb.Rev.Stat. §§ 84-712 et seq. (Reissue 1987). Section 84-712 provides that persons interested in the examination of public records are "fully empowered and authorized to examine the same, and to make memoranda and abstracts therefrom, all free of charge, during the hours the respective offices may be kept open for the ordinary transaction of business." Section 84-712.01 defines public records. Section 84-712.05 lists certain categories of documents which may be withheld from the public by the lawful custodian of the records.

In your Opinion request of June 3, 1991, you asked whether materials may be withheld from the public pursuant to § 84-712.05(3) and § 84-712.05(4) if the work involved is still in progress and if those materials may be used against the State in future litigation. The subsections of § 84-712.05 referenced in your letter deal with trade secrets or proprietary commercial information and with work product of public bodies prepared for litigation respectively.

We do not believe that the materials you provided to us fall under the exemptions contained in § 84-712.05(3) or § 84-712.05(4). Those materials do not appear to contain commercial or proprietary information, nor do they appear to involve work product prepared for any clearly anticipated litigation. However, your reference to work in progress raises what we believe is the pertinent question with respect to the papers at issue. Specifically, at what point in time do materials prepared by public officials become "records and documents" which are subject to disclosure under the Public Records Act?

Section 84-712.01(1) contains a definition of public record as follows:

Except where any other statute expressly provides that particular information or records shall not be made public, public records shall include all records and documents, regardless of physical form, of or belonging to this state, any county, city, village, political subdivision, or tax-supported district in this state, or any agency, branch, department, board, bureau, commission, council, subunit, or committee of any of the foregoing. Data which is a public record in its original form shall remain a public record when maintained in computer files.

This definition was added to the Public Records Act in 1979. See LB 86, Eighty-Sixth Nebraska Legislature, First Session, 1979. Neither the statutory definition nor the legislative history of LB 86 gives any guidance as to whether materials in incomplete form are "records and documents" for purposes of § 84-712.01. Moreover, there are no Nebraska cases which shed any light on this issue.

There is an obvious tension between a governmental agency's legitimate need to operate internally without interruption and intrusion on the one hand, and a legitimate concern that public documents might be hidden from view behind a "draft" label on the other. We believe that this tension should be resolved by determining what constitutes a record or a document under the Public Records Act on an individual, case-by-case basis. There may well be instances where certain materials are so embryonic that they do not constitute "records" or "documents" under the Act. For example, notes or drafts of documents prepared by lower level personnel within an

agency which still remain subject to approval by upper management and which have not been issued by the agency. It seems to us that such preliminary materials do not constitute "records" or "documents" under the Public Records Act, and thus may be withheld from the public. In contrast, materials which have been through the formation process within the agency and which have left the agency are more obviously "records" or "documents" even though procedures may require further approval before formal issuance. This latter category of documents, while arguably involving materials in a "draft" form, still constitutes "records" or "documents" subject to disclosure.

In the present instance, you have provided us with a typed document which is appended with a number of handwritten notations, comments, and suggestions. It is our understanding that the typed document was drafted and prepared by DEC and sent to PRO for suggestions or revisions. The handwritten comments are from staff at PRO. In any case, the final official form of this document would have been jointly prepared and approved by both DEC and PRO. Work on this document and this project has ceased.

In our view, the typed materials from DEC constitute a "record" or "document" which must be disclosed under the Public Records Act. They were prepared in final form within the agency, and they left the agency. To say that they are merely a "draft" ignores the broad nature of the definition of public records found in the statutes and the public policies favoring open access to governmental records.

On the other hand, the handwritten comments and notes from PRO are not a "document" or "record" subject to disclosure. They have not been prepared in final form, and they have not left the agency involved. In our view, they do not fit under the statutory definition of public record set out in § 84-712.01.

As a result, we believe that the public may see the typed version of the report from DEC minus the handwritten notes appended at PRO. If no "clean" copy of the DEC report exists, you may wish to excise the PRO comments in some fashion.

Sincerely yours,
DON STENBERG
Attorney General

(Signed) Dale A. Comer
Assistant Attorney General

05-10-14.91

REPORTS

The following reports were received by the Legislature:

Minutes of the Board of Public Roads Classifications and Standards for May 1991.

Statement of deposits to the Highway Cash Fund and Road Operation Cash fund for May 1991 from the Department of Roads in compliance with Section 66-476, R.S. Supp. 1988.

Annual report of traffic accident facts for 1990 from the Highway Safety Division, Nebraska Department of Roads.

Annual report from Nebraska Business Development Center for 1990.

Annual report for 1989-1990 from the Nebraska State Energy Office in accordance with provisions of Section 81-1607, Nebraska Revised Statutes, (1988 Supplement).

Receipt of Notice Required pursuant to Neb. Rev. Stat. § 58-270 of the Nebraska Investment Finance Authority.

Report from the Department of Social Services as required in LB 813 of the Ninety-First Legislature, First Session and LB 1031 of the Second Session.

Comprehensive Annual Financial Report (CAFR) from the Department of Administrative Services for year ended June 30, 1990.

Audit reports from the Auditor of Public Accounts for second quarter of 1991 from the Equal Opportunity Commission, Investment Council, Department of Aeronautics, Arts Council, Natural Resources Commission, Department of Justice, Education Telecommunications Commission, Department of Motor Vehicles Commercial Driver's License Trust Fund 6242, and Department on Aging.

COMMUNICATION

Received a copy of Senate Bill 11 from the State of Montana providing for reciprocal bid preference on public contract for construction, repair, or public works.

BILLS ON FIRST READING

The following bills were read for the first time by title:

LEGISLATIVE BILL 1. Introduced by Speaker Baack, 47, at the request of the Governor.

A BILL FOR AN ACT relating to taxation; to amend sections 2-2444, 14-1821, 18-2107, 23-132, 23-343.46, 31-331, 31-333, 31-513, 31-711, 31-739, 39-1621, 46-543, 46-631, 77-1601, 77-1612, 79-434, and 79-2210, Reissue Revised Statutes of Nebraska, 1943, sections 13-508, 79-438.11, and 79-2650, Revised Statutes Supplement, 1990, and Laws 1981, LB 81, section 6; to change certain tax levy certification dates for 1991; to change the date county boards of equalization levy taxes for 1991; to correct a repealer; to harmonize provisions; to repeal the original sections; and to declare an emergency.

LEGISLATIVE BILL 2. Introduced by Speaker Baack, 47, at the request of the Governor.

A BILL FOR AN ACT relating to appropriations; to appropriate funds for the expenses incurred during the Ninety-second Legislature, First Special Session, 1991; and to declare an emergency.

LEGISLATIVE BILL 3. Introduced by Speaker Baack, 47, at the request of the Governor.

A BILL FOR AN ACT relating to appropriations; to appropriate funds to the Secretary of State; and to declare an emergency.

RESOLUTIONS

LEGISLATIVE RESOLUTION 1CA. Introduced by Speaker Baack, 47, at the request of the Governor.

A Resolution to propose an amendment to the Constitution of Nebraska by amending Article VIII, sections 1 and 2.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NINETY-SECOND LEGISLATURE OF NEBRASKA, FIRST SPECIAL SESSION:

Section 1. That at a special election on September 10, 1991, there shall be submitted to the electors of the State of Nebraska for approval the following amendment to the Constitution of Nebraska

by amending Article VIII, sections 1 and 2, which is hereby proposed by the Legislature:

CVIII-1 "The necessary revenue of the state and its governmental subdivisions shall be raised by taxation in such manner as the Legislature may direct. Taxes Except as provided in this article, taxes shall be levied by valuation uniformly and proportionately upon all tangible real property and franchises as defined by the Legislature. , except that: (1) ~~The Legislature may provide for a different method of taxing motor vehicles and may also establish a separate class of motor vehicles consisting of those owned and held for resale by motor vehicle dealers which shall be taxed in the manner and to the extent provided by the Legislature and may also establish a separate class for trucks, trailers, semitrailers, truck tractors, or combinations thereof, consisting of those owned by residents and nonresidents of this state, and operating in interstate commerce, and may provide reciprocal and proportionate taxation of such vehicles; PROVIDED, that such tax proceeds from motor vehicles taxed in each county shall be allocated to the state, counties, townships, cities, villages, and school districts of such county in the same proportion that the levy of each bears to the total levy of the county on personal tangible property; and (2) the~~ The Legislature may provide that agricultural land and horticultural land, as defined by the Legislature, shall constitute a separate and distinct class of property for purposes of taxation and may provide for a different method of taxing agricultural land and horticultural land which results in values that are not uniform and proportionate with all other ~~tangible real~~ property and franchises but which results in values that are uniform and proportionate upon all property within the class of agricultural land and horticultural land. The Legislature may enact laws to provide that the value of land actively devoted to agricultural or horticultural use shall for property tax purposes be that value which such land has for agricultural or horticultural use without regard to any value which such land might have for other purposes or uses. The Legislature ~~and~~ may prescribe standards and methods for the determination of the value of real ~~or other tangible~~ property at uniform and proportionate values. Notwithstanding Article III, section 18, of this Constitution or any other provision of this Constitution, tangible personal property, as defined by the Legislature, unless exempt by this Constitution or by legislation, shall be subject to tax in whole or in part by valuation or otherwise in such manner as the Legislature may direct. Taxes uniform as to class of property or the ownership or use thereof may be levied by valuation or otherwise upon classes of intangible property as the Legislature may determine, and such intangible property held in trust or

otherwise for the purpose of funding pension, profit-sharing, or other employee benefit plans as defined by the Legislature may be declared exempt from taxation. Taxes other than property taxes may be authorized by law. Existing revenue laws shall continue in effect until changed by the Legislature. The Legislature may provide that livestock shall constitute a separate and distinct class of property for purposes of taxation and may further provide for reciprocal and proportionate taxation of livestock located in this state for only part of a year. The Legislature may provide for a different method of taxing motor vehicles and may also establish a separate class of motor vehicles consisting of those owned and held for resale by motor vehicle dealers which shall be taxed in the manner and to the extent provided by the Legislature and may also establish a separate class for trucks, trailers, semitrailers, truck-tractors, or combinations thereof, consisting of those owned by residents and nonresidents of this state, and operating in interstate commerce, and may provide reciprocal and proportionate taxation of such vehicles: PROVIDED, that such tax proceeds from motor vehicles taxed in each county shall be allocated to the counties, townships, cities, villages, and school districts of such county in the same proportion that the levy of each bears to the total levy of the county on taxable property."

CVIII-2 "The property of the state and its governmental subdivisions shall be exempt from taxation. The Legislature by general law may exempt from taxation property owned by and used exclusively for agricultural and horticultural societies, and property owned and used exclusively for educational, religious, charitable, or cemetery purposes, when such property is not owned or used for financial gain or profit to either the owner or user. Household goods and personal effects, as defined by law, may be exempted from taxation in whole or in part, as may be provided by general law, and the Legislature may prescribe a formula for the determination of value of household goods and personal effects. The Legislature by general law may provide that the increased value of land by reason of shade or ornamental trees planted along the highway shall not be taken into account in the assessment of such land. The Legislature by general law and upon any terms, conditions, and restrictions it prescribes, may provide that the increased value of real property resulting from improvements designed primarily for energy conservation may be exempt from taxation. The value of a home substantially contributed by ~~the Veterans' Administration~~ of the United States Department of Veterans Affairs for a paraplegic veteran or multiple amputee shall be exempt from taxation during the life of such veteran or until the death or remarriage of his ~~widow or her remarriage~~ or her surviving spouse. The Legislature may exempt

from an intangible property tax life insurance and life insurance annuity contracts and any payment connected therewith and any right to pension or retirement payments. The Notwithstanding Article III, section 18, of this Constitution or any other provision of this Constitution, the Legislature may classify personal property in such manner as it sees fit; and may exempt any of such class or classes; or may exempt all personal property from taxation. No real property shall be exempt from taxation except as provided in this the Constitution. The Legislature may by general law provide that a portion of the value of any residence actually occupied as a homestead by any classification of owners as determined by the Legislature shall be exempt from taxation.”.

Sec. 2. That the proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1. The proposition for the submission of the proposed amendment shall be placed upon the ballot in the following form:

“A constitutional amendment to divide personal property from real property and to authorize the Legislature to provide for the taxation of tangible personal property in such manner as the Legislature may direct.

For

Against”.

Sec. 3. That the proposed amendment, if adopted, shall be in force and take effect immediately upon the completion of the canvass of the votes, at which time it shall be the duty of the Governor to proclaim it as a part of the Constitution of Nebraska.

Referred to the Reference Committee.

LEGISLATIVE RESOLUTION 2CA. Introduced by Warner, 25.

A Resolution to propose an amendment to the Constitution of Nebraska by amending Article VIII, sections 1 and 2, and by repealing Article VIII, sections 2A and 10.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NINETY-SECOND LEGISLATURE OF NEBRASKA, FIRST SPECIAL SESSION:

Section 1. That at a special election on September 17, 1991, there shall be submitted to the electors of the State of Nebraska for approval the following amendment to the Constitution of Nebraska by amending Article VIII, sections 1 and 2, and by repealing Article VIII, sections 2A and 10, which is hereby proposed by the Legislature:

CVIII-1 "The necessary revenue of the state and its governmental subdivisions shall be raised by taxation in such manner as the Legislature may direct. Taxes Except as provided in this article, taxes shall be levied by valuation uniformly and proportionately upon all tangible real property and franchises, except that: (1) The Legislature may provide for a different method of taxing motor vehicles and may also establish a separate class of motor vehicles consisting of those owned and held for resale by motor vehicle dealers which shall be taxed in the manner and to the extent provided by the Legislature and may also establish a separate class for trucks, trailers, semitrailers, truck tractors, or combinations thereof, consisting of those owned by residents and nonresidents of this state, and operating in interstate commerce, and may provide reciprocal and proportionate taxation of such vehicles; PROVIDED, that such tax proceeds from motor vehicles taxed in each county shall be allocated to the state, counties, townships, cities, villages, and school districts of such county in the same proportion that the levy of each bears to the total levy of the county on personal tangible property; and (2) the (1) The Legislature may provide that agricultural land and horticultural land, as defined by the Legislature, shall constitute a separate and distinct class of property for purposes of taxation and may provide for a different method of taxing agricultural land and horticultural land which results in values that are not uniform and proportionate with all other tangible real property and franchises but which results in values that are uniform and proportionate upon all property within the class of agricultural land and horticultural land; and (2) the —The Legislature may enact laws to provide that the value of land actively devoted to agricultural or horticultural use shall for property tax purposes be that value which such land has for agricultural or horticultural use without regard to any value which such land might have for other purposes or uses. The Legislature and may prescribe standards and methods for the determination of the value of real or other tangible property and franchises at uniform and proportionate values. Notwithstanding any other provision of this Constitution, unless exempted from taxation by this Constitution or by legislation enacted pursuant to this article, personal property as defined by the Legislature shall be subject to tax in whole or in part by valuation or otherwise in such manner as the Legislature may direct. Taxes uniform as to class of property or the ownership or use thereof may be levied by valuation or otherwise upon classes of intangible property as the Legislature may determine, — and such intangible property held in trust or otherwise for the purpose of funding pension, profit-sharing, or other employee benefit plans as defined by the Legislature may be declared

~~exempt from taxation. Taxes other than property taxes may be authorized by law. Existing revenue laws shall continue in effect until changed by the Legislature. The Legislature may provide that livestock shall constitute a separate and distinct class of property for purposes of taxation and may further provide for reciprocal and proportionate taxation of livestock located in this state for only part of a year."~~

CVIII-2 "The property of the state and its governmental subdivisions shall be exempt from taxation. The Legislature by general law may exempt from taxation property owned by and used exclusively for agricultural and horticultural societies, and property owned and used exclusively for educational, religious, charitable, or cemetery purposes, when such property is not owned or used for financial gain or profit to either the owner or user. ~~Household goods and personal effects, as defined by law, may be exempted from taxation in whole or in part, as may be provided by general law, and the Legislature may prescribe a formula for the determination of value of household goods and personal effects.~~ The Legislature by general law may provide that the increased value of land by reason of shade or ornamental trees planted along the highway shall not be taken into account in the assessment of such land. The Legislature by general law and upon any terms, conditions, and restrictions it prescribes; may provide that the increased value of real property resulting from improvements designed primarily for energy conservation may be exempt from taxation. The value of a home substantially contributed by ~~the Veterans' Administration of the United States~~ Department of Veterans Affairs for a paraplegic veteran or multiple amputee shall be exempt from taxation during the life of such veteran or until the death or remarriage of his or her surviving spouse, widow or her remarriage. ~~The Legislature may exempt from an intangible property tax life insurance and life insurance annuity contracts and any payment connected therewith and any right to pension or retirement payments.~~ ~~The Notwithstanding any other provision of this Constitution, the~~ Legislature may classify personal property or intangible property in such manner as it sees fit; and may exempt any of such class or classes; or ~~may~~ exempt all personal property or intangible property from taxation. No real property shall be exempt from taxation except as provided in this the Constitution. The Legislature may by general law provide that a portion of the value of any residence actually occupied as a homestead by any classification of owners as determined by the Legislature shall be exempt from taxation."

Sec. 2. That the proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska,

Article XVI, section 1. The proposition for the submission of the proposed amendment shall be placed upon the ballot in the following form:

"A constitutional amendment to remove personal property from provisions requiring that taxes be levied by valuation uniformly and proportionately, to authorize the Legislature to provide for the taxation of personal property in such manner as the Legislature may direct, to authorize the Legislature to classify and exempt intangible property from taxation, and to eliminate provisions relating to exemption of specific types of personal and intangible property.

For

Against".

Sec. 3. That the proposed amendment, if adopted, shall be in force and take effect immediately upon the completion of the canvass of the votes, at which time it shall be the duty of the Governor to proclaim it as a part of the Constitution of Nebraska.

Referred to the Reference Committee.

LEGISLATIVE RESOLUTION 3CA. Introduced by Warner, 25.

A Resolution to propose an amendment to the Constitution of Nebraska by adding a new section 13 to Article VIII.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NINETY-SECOND LEGISLATURE OF NEBRASKA, FIRST SPECIAL SESSION:

Section 1. That at a special election on September 17, 1991, there shall be submitted to the electors of the State of Nebraska for approval the following amendment to the Constitution of Nebraska by adding a new section 13 to Article VIII, which is hereby proposed by the Legislature:

CVIII-13 "Each exemption from taxation by valuation of personal property and intangible property which is or has been granted by the Legislature shall terminate on January 1, 2003, unless extended by the Legislature for a period of ten years or less in the biennium prior to such date. Each such extended exemption and any new exemption from taxation by valuation of personal property and intangible property granted since the last extension shall terminate every ten years, or a lesser number of years set by the Legislature, after the last termination date unless extended by the Legislature for another ten years or less in the biennium prior to the termination date. Nothing in this section shall be construed to affect the authority of the Legislature to enact or repeal exemptions from taxation."

Sec. 2. That the proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1. The proposition for the submission of the proposed amendment shall be placed upon the ballot in the following form:

"A constitutional amendment to provide for termination and extension of exemptions from taxation by valuation of personal property and intangible property.

For

Against".

Sec. 3. That the proposed amendment, if adopted, shall be in force and take effect immediately upon the completion of the canvass of the votes, at which time it shall be the duty of the Governor to proclaim it as a part of the Constitution of Nebraska.

Referred to the Reference Committee.

LEGISLATIVE RESOLUTION 4CA. Introduced by Schmit, 23.

A Resolution to propose an amendment to the Constitution of Nebraska by amending Article VIII, section 1.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NINETY-SECOND LEGISLATURE OF NEBRASKA, FIRST SPECIAL SESSION:

Section 1. That at a special election on September 17, 1991, there shall be submitted to the electors of the State of Nebraska for approval the following amendment to the Constitution of Nebraska by amending Article VIII, section 1, which is hereby proposed by the Legislature:

CVIII-1 "The necessary revenue of the state and its governmental subdivisions shall be raised by taxation in such manner as the Legislature may direct. ~~Taxes shall be levied by valuation uniformly and proportionately upon all tangible property and franchises, except that: (1) The Legislature may provide for a different method of taxing motor vehicles and may also establish a separate class of motor vehicles consisting of those owned and held for resale by motor vehicle dealers which shall be taxed in the manner and to the extent provided by the Legislature and may also establish a separate class for trucks, trailers, semitrailers, truck tractors, or combinations thereof, consisting of those owned by residents and nonresidents of this state, and operating in interstate commerce, and may provide reciprocal and proportionate taxation of such vehicles; PROVIDED, that such tax proceeds from motor vehicles taxed in each county shall be allocated to the state, counties, townships, cities, villages, and~~

school districts of such county in the same proportion that the levy of each bears to the total levy of the county on personal tangible property; and (2) the Legislature may provide that agricultural land and horticultural land, as defined by the Legislature, shall constitute a separate and distinct class of property for purposes of taxation and may provide for a different method of taxing agricultural land and horticultural land which results in values that are not uniform and proportionate with all other tangible property and franchises but which results in values that are uniform and proportionate upon all property within the class of agricultural land and horticultural land. The Legislature may enact laws to provide that the value of land actively devoted to agricultural or horticultural use shall for property tax purposes be that value which such land has for agricultural or horticultural use without regard to any value which such land might have for other purposes or uses and may prescribe standards and methods for the determination of the value of real or other tangible property at uniform and proportionate values. Taxes uniform as to class of property or the ownership or use thereof may be levied by valuation or otherwise upon classes of intangible property as the Legislature may determine, and such intangible property held in trust or otherwise for the purpose of funding pension, profit sharing, or other employee benefit plans as defined by the Legislature may be declared exempt from taxation. Taxes other than property taxes may be authorized by law. Existing revenue laws shall continue in effect until changed by the Legislature. The Legislature may provide that livestock shall constitute a separate and distinct class of property for purposes of taxation and may further provide for reciprocal and proportionate taxation of livestock located in this state for only part of a year."

Sec. 2. That the proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1. The proposition for the submission of the proposed amendment shall be placed upon the ballot in the following form:

"A constitutional amendment to authorize the Legislature to provide for taxation in such manner as it may direct.

For

Against"

Sec. 3. That the proposed amendment, if adopted, shall be in force and take effect immediately upon the completion of the canvass of the votes, at which time it shall be the duty of the Governor to proclaim it as a part of the Constitution of Nebraska.

Referred to the Reference Committee.

LEGISLATIVE RESOLUTION 5CA. Introduced by Hartnett, 45.

A Resolution to propose an amendment to the Constitution of Nebraska by amending Article VIII, sections 1 and 2.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NINETY-SECOND LEGISLATURE OF NEBRASKA, FIRST SPECIAL SESSION:

Section 1. That at a special election on September 17, 1991, there shall be submitted to the electors of the State of Nebraska for approval the following amendment to the Constitution of Nebraska by amending Article VIII, sections 1 and 2, which is hereby proposed by the Legislature:

CVIII-1 "(1) The necessary revenue of the state and its governmental subdivisions shall be raised by taxation in such manner as the Legislature may direct. Taxes other than property taxes may be authorized by law. Existing revenue laws shall continue in effect until changed by the Legislature.

(2) The Legislature shall classify all tangible property into the following six classifications for taxation purposes:

(a) Class 1 shall include real property actually occupied as a homestead;

(b) Class 2 shall include real property other than homestead property held or used for residential purposes;

(c) Class 3 shall include real property held or used for agriculture and horticulture;

(d) Class 4 shall include all other real property not classified within Class 1, 2, or 3 and not otherwise exempt from property taxation;

(e) Class 5 shall include tangible personal property other than Class 6 property; and

(f) Class 6 shall include motor vehicles.

(3) The Legislature shall by statute provide the standards and methods to be used for the determination of the appropriate classification of tangible property based upon the use, function, and income-producing capacity of the property. The Legislature may provide for the proportionate classification of property into more than one of the classes listed in this section when the property is actually used for more than a single purpose and meets the standards adopted for classification in more than one class.

(4) Each class of property listed in this section shall be a separate and distinct class for taxation purposes, and the Legislature may provide for a different method of valuation for each class. Within Classes 1, 2, 3, and 4, the values adopted for purposes of property taxation on property within each such class shall be uniform and

proportionate upon all property within the class. Taxes upon tangible property shall be levied annually at rates uniform within each political subdivision.

(5) Property classified in Class 1 shall never be taxed at a higher proportion of its value as established for taxation purposes than that of any other class of real property. The Legislature may by general law provide that a portion of the value of any residence actually occupied as a homestead by any classification of owners as determined by the Legislature shall be exempt from taxation.

(6) The Legislature may enact laws to provide that the value of property in Class 3 which is actively devoted to agricultural or horticultural use shall for property tax purposes be that value which such land has for agricultural or horticultural use without regard to any value which such land might have for other purposes or uses.

(7) Notwithstanding any other provision of this Constitution, the Legislature may provide for the additional subclassification of property within Class 5 and may provide for the exemption of any such subclassification. The Legislature may exempt all personal property for taxation. The Legislature may provide that livestock shall constitute a separate and distinct subclass of Class 5 property for taxation purposes and may further provide for reciprocal and proportionate taxation of livestock located in this state for only part of a year. The validity of any action by the Legislature to classify or exempt property within Class 5 shall be determined on the basis of whether a rational relationship exists between a legitimate state interest and the means selected by the Legislature to accomplish that purpose.

(8) The Legislature may provide for a different method of taxing Class 6 property. The Legislature may establish a separate subclass of motor vehicles in Class 6 consisting of those motor vehicles owned and held for resale by motor vehicle dealers which shall be taxed in the manner and to the extent as provided by the Legislature. The Legislature may also establish a separate subclass of Class 6 property consisting of trucks, trailers, semitrailers, truck-tractors, or combinations thereof owned by residents and nonresidents of this state and operating in interstate commerce, and may provide reciprocal and proportionate taxation of such vehicles. The tax proceeds from Class 6 property shall be allocated to the state, counties, townships, cities, villages, and school districts in each county in the same proportion that the levy of each bears to the total average levy of the county on all other tangible property.

(9) Taxes uniform as to class of property or the ownership or use thereof may be levied by valuation or otherwise upon classes of intangible property as the Legislature may determine, and such

intangible property held in trust or otherwise for the purpose of funding pension, profit-sharing, or other employee benefit plans as defined by the Legislature may be declared exempt from taxation." The necessary revenue of the state and its governmental subdivisions shall be raised by taxation in such manner as the Legislature may direct. Taxes shall be levied by valuation uniformly and proportionately upon all tangible property and franchises, except that: (1) The Legislature may provide for a different method of taxing motor vehicles and may also establish a separate class of motor vehicles consisting of those owned and held for resale by motor vehicle dealers which shall be taxed in the manner and to the extent provided by the Legislature and may also establish a separate class for trucks, trailers, semitrailers, truck tractors, or combinations thereof, consisting of those owned by residents and nonresidents of this state, and operating in interstate commerce, and may provide reciprocal and proportionate taxation of such vehicles; **PROVIDED**, that such tax proceeds from motor vehicles taxed in each county shall be allocated to the state, counties, townships, cities, villages, and school districts of such county in the same proportion that the levy of each bears to the total levy of the county on personal tangible property; and (2) the Legislature may provide that agricultural land and horticultural land, as defined by the Legislature, shall constitute a separate and distinct class of property for purposes of taxation and may provide for a different method of taxing agricultural land and horticultural land which results in values that are not uniform and proportionate with all other tangible property and franchises but which results in values that are uniform and proportionate upon all property within the class of agricultural land and horticultural land. The Legislature may enact laws to provide that the value of land actively devoted to agricultural or horticultural use shall for property tax purposes be that value which such land has for agricultural or horticultural use without regard to any value which such land might have for other purposes or uses and may prescribe standards and methods for the determination of the value of real or other tangible property at uniform and proportionate values. Taxes uniform as to class of property or the ownership or use thereof may be levied by valuation or otherwise upon classes of intangible property as the Legislature may determine, and such intangible property held in trust or otherwise for the purpose of funding pension, profit-sharing, or other employee benefit plans as defined by the Legislature may be declared exempt from taxation. Taxes other than property taxes may be authorized by law. Existing revenue laws shall continue in effect until changed by the Legislature. The Legislature may provide that livestock shall constitute a separate and distinct class of property for

~~purposes of taxation and may further provide for reciprocal and proportionate taxation of livestock located in this state for only part of a year.~~

CVIII-2 "The property of the state and its governmental subdivisions shall be exempt from taxation. The Legislature by general law may exempt property owned by and used exclusively for agricultural and horticultural societies, and property owned and used exclusively for educational, religious, charitable, or cemetery purposes, when such property is not owned or used for financial gain or profit to either the owner or user. Household goods and personal effects, as defined by law, may be exempted from taxation in whole or in part, as may be provided by general law, and the Legislature may prescribe a formula for the determination of value of household goods and personal effects. The Legislature by general law may provide that the increased value of land by reason of shade or ornamental trees planted along the highway shall not be taken into account in the assessment of such land. The Legislature by general law and upon any terms, conditions, and restrictions it prescribes, may provide that the increased value of real property resulting from improvements designed primarily for energy conservation may be exempt from taxation. The value of a home substantially contributed by the ~~Veterans' Administration of the United States~~ Department of Veterans Affairs for a paraplegic veteran or multiple amputee shall be exempt from taxation during the life of such veteran or until the death or remarriage of his ~~widow or her remarriage or her surviving spouse~~. The Legislature may exempt from an intangible property tax life insurance and life insurance annuity contracts and any payment connected therewith and any right to pension or retirement payments. ~~The Legislature may classify personal property in such manner as it sees fit, and may exempt any of such classes, or may exempt all personal property from taxation.~~ No property shall be exempt from taxation except as provided in the this Constitution. ~~The Legislature may by general law provide that a portion of the value of any residence actually occupied as a homestead by any classification of owners as determined by the Legislature shall be exempt from taxation."~~

Sec. 2. That the proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1. The proposition for the submission of the proposed amendment shall be placed upon the ballot in the following form:

"A constitutional amendment to authorize the Legislature to classify tangible property for purposes of property taxation in six classifications, to provide that taxes upon property within each

class shall be uniform and proportionate, to authorize the subclassification of property, to authorize the levy of taxes on intangible property, to authorize certain exemptions, to limit the rate of property taxes levied on certain classifications of property, and to harmonize other provisions of this Constitution.

For

Against”.

Sec. 3. That the proposed amendment, if adopted, shall be in force and take effect immediately upon the completion of the canvass of the votes, at which time it shall be the duty of the Governor to proclaim it as a part of the Constitution of Nebraska.

Referred to the Reference Committee.

MOTION - Advise Governor

Mr. Lindsay moved that a committee of five (5) be appointed to call upon the Governor and advise him that the Legislature is organized and ready for the transaction of business, and to report back to the Legislature with any message he may have.

The motion prevailed.

The Chair appointed Mmes. Bohlke, Crosby, Messrs. Hefner, Withem, and Morrissey to serve on said committee.

The Committee escorted Governor E. Benjamin Nelson to the rostrum where he spoke to the members of the Legislature.

RESOLUTION

LEGISLATIVE RESOLUTION 6CA. Introduced by Withem, 14; Lindsay, 9.

A Resolution to propose amendments to the Constitution of Nebraska by amending Article VIII, sections 1 and 2, or Article VIII, section 2, and by amending Article XVI, section 1.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NINETY-SECOND LEGISLATURE OF NEBRASKA, FIRST SPECIAL SESSION:

Section 1. That at a special election on September 17, 1991, there shall be submitted to the electors of the State of Nebraska for approval the following alternative amendments to the Constitution

of Nebraska by amending Article VIII, sections 1 and 2, or Article VIII, section 2, which are hereby proposed by the Legislature:

ALTERNATIVE 1

CVIII-1 "The necessary revenue of the state and its governmental subdivisions shall be raised by taxation in such manner as the Legislature may direct. Taxes Except as provided in this article, taxes shall be levied by valuation uniformly and proportionately upon all tangible real property and franchises, except that: (1) ~~The Legislature may provide for a different method of taxing motor vehicles and may also establish a separate class of motor vehicles consisting of those owned and held for resale by motor vehicle dealers which shall be taxed in the manner and to the extent provided by the Legislature and may also establish a separate class for trucks, trailers, semitrailers, truck tractors, or combinations thereof, consisting of those owned by residents and nonresidents of this state, and operating in interstate commerce, and may provide reciprocal and proportionate taxation of such vehicles; PROVIDED, that such tax proceeds from motor vehicles taxed in each county shall be allocated to the state, counties, townships, cities, villages, and school districts of such county in the same proportion that the levy of each bears to the total levy of the county on personal tangible property; and (2) the~~ The Legislature may provide that agricultural land and horticultural land, as defined by the Legislature, shall constitute a separate and distinct class of property for purposes of taxation and may provide for a different method of taxing agricultural land and horticultural land which results in values that are not uniform and proportionate with all other tangible real property and franchises but which results in values that are uniform and proportionate upon all property within the class of agricultural land and horticultural land. The Legislature may enact laws to provide that the value of land actively devoted to agricultural or horticultural use shall for property tax purposes be that value which such land has for agricultural or horticultural use without regard to any value which such land might have for other purposes or uses and may prescribe standards and methods for the determination of the value of ~~real or other tangible property land~~ at uniform and proportionate values. Notwithstanding any other provision of this Constitution, tangible personal property, as defined by the Legislature, unless exempt by this Constitution or by legislation enacted pursuant to this article, shall be subject to tax in whole or in part by valuation or otherwise in such manner as the Legislature may direct. Taxes uniform as to class of property or the ownership or use thereof may be levied by valuation or otherwise upon classes of intangible property as the Legislature may determine, and such intangible property held in trust

or otherwise for the purpose of funding pension, profit-sharing, or other employee benefit plans as defined by the Legislature may be declared exempt from taxation. Taxes other than property taxes may be authorized by law. Existing revenue laws shall continue in effect until changed by the Legislature. The Legislature may provide that livestock shall constitute a separate and distinct class of property for purposes of taxation and may further provide for reciprocal and proportionate taxation of livestock located in this state for only part of a year. The Legislature may provide for a different method of taxing motor vehicles and may also establish a separate class of motor vehicles consisting of those owned and held for resale by motor vehicle dealers which shall be taxed in the manner and to the extent provided by the Legislature and may also establish a separate class for trucks, trailers, semitrailers, truck-tractors, or combinations thereof, consisting of those owned by residents and nonresidents of this state, and operating in interstate commerce, and may provide reciprocal and proportionate taxation of such vehicles; PROVIDED, that such tax proceeds from motor vehicles taxed in each county shall be allocated to the counties, townships, cities, villages, and school districts of such county in the same proportion that the levy of each bears to the total levy of the county on taxable property."

CVIII-2 "The property of the state and its governmental subdivisions shall be exempt from taxation. The Legislature by general law may exempt from taxation property owned by and used exclusively for agricultural and horticultural societies, and property owned and used exclusively for educational, religious, charitable, or cemetery purposes, when such property is not owned or used for financial gain or profit to either the owner or user. Household goods and personal effects, as defined by law, may be exempted from taxation in whole or in part, as may be provided by general law, and the Legislature may prescribe a formula for the determination of value of household goods and personal effects. The Legislature by general law may provide that the increased value of land by reason of shade or ornamental trees planted along the highway shall not be taken into account in the assessment of such land. The Legislature by general law and upon any terms, conditions, and restrictions it prescribes, may provide that the increased value of real property resulting from improvements designed primarily for energy conservation may be exempt from taxation. The value of a home substantially contributed by ~~the Veterans' Administration~~ of the United States Department of Veterans Affairs for a paraplegic veteran or multiple amputee shall be exempt from taxation during the life of such veteran or until the death or remarriage of his ~~widow or her remarriage~~ or her surviving spouse. The Legislature may exempt

from an intangible property tax life insurance and life insurance annuity contracts and any payment connected therewith and any right to pension or retirement payments. The Notwithstanding any other provision of this Constitution, the Legislature may classify personal property in such manner as it sees fit; and may exempt any of such class or classes; or ~~may~~ exempt all personal property from taxation. No real property shall be exempt from taxation except as provided in this ~~the~~ Constitution. The Legislature may by general law provide that a portion of the value of any residence actually occupied as a homestead by any classification of owners as determined by the Legislature shall be exempt from taxation."

ALTERNATIVE 2

CVIII-2 "The property of the state and its governmental subdivisions shall be exempt from taxation. The Legislature by general law may exempt property owned by and used exclusively for agricultural and horticultural societies, and property owned and used exclusively for educational, religious, charitable, or cemetery purposes, when such property is not owned or used for financial gain or profit to either the owner or user. Household goods and personal effects, as defined by law, may be exempted from taxation in whole or in part, as may be provided by general law, and the Legislature may prescribe a formula for the determination of value of household goods and personal effects. Inventory held primarily for resale may be exempted from taxation in whole or in part. The Legislature by general law may provide that the increased value of land by reason of shade or ornamental trees planted along the highway shall not be taken into account in the assessment of such land. The Legislature by general law and upon any terms, conditions, and restrictions it prescribes, may provide that the increased value of real property resulting from improvements designed primarily for energy conservation may be exempt from taxation. The value of a home substantially contributed by ~~the Veterans' Administration of the United States~~ Department of Veterans Affairs for a paraplegic veteran or multiple amputee shall be exempt from taxation during the life of such veteran or until the death or remarriage of his ~~widow or her remarriage~~ or her surviving spouse. The Legislature may exempt from an intangible property tax life insurance and life insurance annuity contracts and any payment connected therewith and any right to pension or retirement payments. The Until January 1, 1992, the Legislature may classify personal property in such manner as it sees fit; and may exempt any of such classes; or ~~may~~ exempt all personal property from taxation. Except as provided in this Constitution, on and after January 1, 1992, tangible personal property shall be valued the same as real property and shall be taxed

at a rate equal to real property. No property shall be exempt from taxation except as provided in ~~the~~ this Constitution. The Legislature may by general law provide that a portion of the value of any residence actually occupied as a homestead by any classification of owners as determined by the Legislature shall be exempt from taxation.”.

Sec. 2. That at a special election on September 17, 1991, there shall be submitted to the electors of the State of Nebraska for approval the following amendment to the Constitution of Nebraska by amending Article XVI, section 1, which is hereby proposed by the Legislature:

CXVI-1 “The Legislature may propose amendments to this Constitution. If the same be agreed to by three-fifths of the members elected to the Legislature, such proposed amendments shall be entered on the journal, with yeas and nays, and published once each week for three consecutive weeks, in at least one newspaper in each county, where a newspaper is published, immediately preceding the next election of members of the Legislature or a special election called by the vote of four-fifths of the members elected to the Legislature for the purpose of submitting such proposed amendments to the electors. At such election ~~said~~ the amendments shall be submitted to the electors for approval or rejection upon a ballot separate from that upon which the names of candidates appear. If a majority of the electors voting on any such amendment adopt the same, it shall become a part of this Constitution, ~~provided~~ if the votes cast in favor of such amendment ~~shall not be~~ are not less than thirty-five ~~per cent~~ percent of the total votes cast at such election. When two or more amendments are submitted at the same election, they shall be so submitted as to enable the electors to vote on each amendment separately. When two or more conflicting amendments are adopted at the same election, the amendment which receives the greatest number of affirmative votes shall be paramount in all particulars as to which there is conflict even though such amendment may not have received the greater majority of affirmative votes.”.

Sec. 3. That the proposed amendments shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1. The propositions for the submission of the proposed amendments shall be placed upon the ballot in the following forms:

“A constitutional amendment to remove personal property from provisions requiring that taxes be levied by valuation uniformly and proportionately and to authorize the Legislature to provide for the taxation of tangible personal property in such manner as the Legislature may direct.

For

Against".

"A constitutional amendment to authorize exemption of inventory held primarily for resale from taxation, to remove the authority of the Legislature to classify and exempt personal property from taxation, and to require that tangible personal property be valued and taxed the same as real property.

For

Against".

"A constitutional amendment to provide for the determination of which constitutional amendment prevails when two or more conflicting amendments are adopted at the same election.

For

Against".

Sec. 4. That the proposed amendments, if adopted, shall be in force and take effect immediately upon the completion of the canvass of the votes, at which time it shall be the duty of the Governor to proclaim it or them as a part of the Constitution of Nebraska.

Referred to the Reference Committee.

ANNOUNCEMENT

The Revenue Committee announced that all legislative bills/resolutions referenced to the Revenue Committee for the 1991 First Special Session will have a public hearing on Wednesday, July 10, 1991 at 9:00 A.M.

(Signed) Tim Hall, Chairperson

EASE

The Legislature was at ease from 3:34 p.m. until 3:54 p.m.

RESOLUTION

LEGISLATIVE RESOLUTION 7CA. Introduced by Hall, 7.

A Resolution to propose an amendment to the Constitution of Nebraska by amending Article VIII, section 2.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NINETY-SECOND LEGISLATURE OF NEBRASKA, FIRST SPECIAL SESSION:

Section 1. That at a special election on September 17, 1991, there shall be submitted to the electors of the State of Nebraska for approval the following amendment to the Constitution of Nebraska by amending Article VIII, section 2, which is hereby proposed by the Legislature:

CVIII-2 "(1) The property of the state and its governmental subdivisions shall be exempt from taxation. The Legislature by general law may exempt property owned by and used exclusively for agricultural and horticultural societies, and property owned and used exclusively for educational, religious, charitable, or cemetery purposes, when such property is not owned or used for financial gain or profit to either the owner or user. Household goods and personal effects, as defined by law, may be exempted from taxation in whole or in part, as may be provided by general law, and the Legislature may prescribe a formula for the determination of value of household goods and personal effects. The Legislature by general law may provide that the increased value of land by reason of shade or ornamental trees planted along the highway shall not be taken into account in the assessment of such land. The Legislature by general law and upon any terms, conditions, and restrictions it prescribes, may provide that the increased value of real property resulting from improvements designed primarily for energy conservation may be exempt from taxation. The value of a home substantially contributed by the ~~Veterans' Administration~~ of the United States Department of Veterans Affairs for a paraplegic veteran or multiple amputee shall be exempt from taxation during the life of such veteran or until the death ~~or remarriage~~ of his ~~widow or her remarriage~~ or her surviving spouse. The Legislature may exempt from an intangible property tax life insurance and life insurance annuity contracts and any payment connected therewith and any right to pension or retirement payments. The Legislature may classify personal property in such manner as it sees fit, and may exempt any of such classes, or may exempt all personal property from taxation. No property shall be exempt from taxation except as provided in the Constitution. The Legislature may by general law provide that a portion of the value of any residence actually occupied as a homestead by any classification of owners as determined by the Legislature shall be exempt from taxation.

(2) Beginning January 1, 1992, no political subdivision with authority to levy property taxes shall adopt a budget for any fiscal year with anticipated receipts from ad valorem property taxes which are greater than the amount received by the political subdivision from ad valorem property taxes in the fiscal year which includes December 31, 1991, compounded annually at a rate of two percent plus the percentage increase in total valuation of property of a type which was

subject to ad valorem property taxation on December 31, 1991, except that:

(a) Property taxes collected for the retirement of bonded indebtedness shall not be subject to the limitation; and

(b) An affirmative vote of the registered voters of the political subdivision at a special election called by the governing body of such subdivision may authorize a budget with anticipated receipts from ad valorem property taxes greater than that otherwise authorized by this section.

For political subdivisions which consolidate, the percentage increase shall be based on the combined receipts from ad valorem property taxes of both subdivisions in the fiscal year immediately preceding consolidation.

For purposes of this subsection, budget shall mean a statement of anticipated revenue and expenses and fiscal year shall mean any period of twelve consecutive months chosen by the political subdivision and authorized by law."

Sec. 2. That the proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1. The proposition for the submission of the proposed amendment shall be placed upon the ballot in the following form:

"A constitutional amendment to provide that beginning January 1, 1992, no political subdivision with authority to levy property taxes shall adopt a budget for any fiscal year with anticipated receipts from ad valorem property taxes which are greater than the amount received by the political subdivision from ad valorem property taxes in the fiscal year which includes December 31, 1991, compounded annually at a rate of two percent plus the percentage increase in total valuation of property of a type which was subject to ad valorem property taxation on December 31, 1991, except that property taxes collected for the retirement of bonded indebtedness shall not be subject to the limitation and an affirmative vote of the registered voters of the political subdivision at a special election called by the governing body of such subdivision may authorize a budget with anticipated receipts from ad valorem property taxes greater than that otherwise authorized.
For

Against"

Sec. 3. That the proposed amendment, if adopted, shall be in force and take effect immediately upon the completion of the canvass of the votes, at which time it shall be the duty of the Governor to proclaim it as a part of the Constitution of Nebraska.

Referred to the Reference Committee.

BILL ON FIRST READING

The following bill was read for the first time by title:

LEGISLATIVE BILL 4. Introduced by Will, 8.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-202, Reissue Revised Statutes of Nebraska, 1943, as amended by section 7, Legislative Bill 829, Ninety-second Legislature, First Session, 1991; to eliminate certain items from the personal property tax exemption; to provide an operative date; and to repeal the original section.

ADJOURNMENT

At 3:55 p.m., on a motion by Mr. Baack, the Legislature adjourned until 10:00 a.m., Tuesday, July 9, 1991.

Patrick J. O'Donnell
Clerk of the Legislature

SECOND DAY - JULY 9, 1991**LEGISLATIVE JOURNAL****NINETY-SECOND LEGISLATURE
FIRST SPECIAL SESSION****SECOND DAY**

Legislative Chamber, Lincoln, Nebraska
Tuesday, July 9, 1991

Pursuant to adjournment, the Legislature met at 10:01 a.m., President Moul presiding.

PRAYER

The prayer was offered by Senator Wehrbein.

ROLL CALL

The roll was called and all members were present except Messrs. Ashford, Chambers, Chizek, Hartnett, Horgan, Lindsay, Morrissey, Will, Mmes. Pirsch, and Rasmussen who were excused.

CORRECTIONS FOR THE JOURNAL

The Journal for the First Day was approved.

REFERENCE COMMITTEE REPORT

The Legislative Council Executive Board submits the attached report on the referral of legislative bills 1 through 4, resolutions 1CA through 7CA, and Governor appointments.

LB	Committee
1	Revenue
2	General File
3	General File
4	Revenue

LR	Committee
1CA	Revenue
2CA	Revenue
3CA	Revenue
4CA	Revenue
5CA	Revenue
6CA	Revenue
7CA	Revenue

Banking, Commerce and Insurance

Margaret Hornady - Nebraska Research and Development Authority
Connie J. Day - Nebraska Research and Development Authority

Education

Dr. Thomas Reeves - Nebraska Educational Telecommunications
Commission
Dr. Charles Harrington - Nebraska Educational Telecommunications
Commission
Robert E. Mundy - Nebraska Board of Educational Lands and
Funds
Wendell L. Quist - Board of Trustees of Nebraska State Colleges

Government, Military and Veterans Affairs

Michael R. Durst - State Fire Marshal
Michael F. Kinney - Nebraska Accountability and Disclosure
Commission
Charles J. Dougherty - Nebraska Accountability and Disclosure
Commission

Health and Human Services

Jacklyn J. Smith - Department of Aging
Vicki F. Powell - Foster Care Review Board
Myrna J. Schmid - Foster Care Review Board
Nancy Nielsen - Child Abuse Prevention Fund Board
Gay Angel McTate - Child Abuse Prevention Fund Board
Susan A. Thomas - Child Abuse Prevention Fund Board
Louise D. Schleich - Child Abuse Prevention Fund Board

Natural Resources

Randolph Wood - Nebraska Department of Environmental Control

(Signed) Jerome Warner, Chairperson
Legislative Council
Executive Board

NOTICE OF COMMITTEE HEARINGS
Banking, Commerce and Insurance

Governor Appointments Friday, July 12, 1991 1:15 p.m.
Nebraska Research and Development Authority
Margaret Hornady
Connie J. Day

(Signed) David Landis, Chairperson

Education

Governor Appointments Thursday, July 11, 1991 1:10 p.m.
Nebraska Educational Telecommunications Commission
Dr. Thomas Reeves
Dr. Charles Harrington
Nebraska Board of Educational Lands and Funds
Robert E. Mundy
Board of Trustees of Nebraska State Colleges
Wendell L. Quist

(Signed) Ron Withem, Chairperson

Revenue

LR 1CA	Wednesday, July 10, 1991	9:00 a.m.
LR 2CA	Wednesday, July 10, 1991	9:00 a.m.
LR 3CA	Wednesday, July 10, 1991	9:00 a.m.
LR 4CA	Wednesday, July 10, 1991	9:00 a.m.
LR 5CA	Wednesday, July 10, 1991	9:00 a.m.
LR 6CA	Wednesday, July 10, 1991	9:00 a.m.
LB 1	Wednesday, July 10, 1991	9:00 a.m.
LB 4	Wednesday, July 10, 1991	9:00 a.m.
LR 7CA	Wednesday, July 10, 1991	9:00 a.m.

(Signed) Tim Hall, Chairperson

Government, Military and Veterans Affairs

Governor Appointments Thursday, July 11, 1991

1:00 p.m.

State Fire Marshal

Mike Durst

Accountability and Disclosure Commission

Mike Kinney

Charles Dougherty

(Signed) Gerald Conway, Chairperson

RESOLUTION

LEGISLATIVE RESOLUTION 8CA. Introduced by Moore, 24.

A Resolution to propose alternative amendments to the Constitution of Nebraska by amending Article VIII, sections 1 and 2, or Article VIII, sections 1 and 2.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NINETY-SECOND LEGISLATURE OF NEBRASKA, FIRST SPECIAL SESSION:

Section 1. That at a special election on September 17, 1991, there shall be submitted to the electors of the State of Nebraska for approval the following alternative amendments to the Constitution of Nebraska by amending Article VIII, sections 1 and 2, or Article VIII, sections 1 and 2, which are hereby proposed by the Legislature:

ALTERNATIVE 1

CVIII-1 "The necessary revenue of the state and its governmental subdivisions shall be raised by taxation in such manner as the Legislature may direct. Taxes Except as provided in this article, taxes shall be levied by valuation uniformly and proportionately upon all tangible real property and franchises, and , ~~except that:~~ (1) ~~The Legislature may provide for a different method of taxing motor vehicles and may also establish a separate class of motor vehicles consisting of those owned and held for resale by motor vehicle dealers which shall be taxed in the manner and to the extent provided by the Legislature and may also establish a separate class for trucks, trailers, semitrailers, truck tractors, or combinations thereof, consisting of those owned by residents and nonresidents of this state, and operating in interstate commerce, and may provide reciprocal and proportionate taxation of such vehicles; PROVIDED, that such tax proceeds from motor vehicles taxed in each county shall be allocated to the state, counties, townships, cities, villages, and school districts of such county in the same proportion that the levy of each bears to the total levy of the county on personal tangible property; and (2) the Legislature may provide that agricultural land and horticultural land,~~

as defined by the Legislature, shall constitute a separate and distinct class of property for purposes of taxation and may provide for a different method of taxing agricultural land and horticultural land which results in values that are not uniform and proportionate with all other ~~tangible real~~ property and franchises but which results in values that are uniform and proportionate upon all property within the class of agricultural land and horticultural land. The Legislature may enact laws to provide that the value of land actively devoted to agricultural or horticultural use shall for property tax purposes be that value which such land has for agricultural or horticultural use without regard to any value which such land might have for other purposes or uses and may prescribe standards and methods for the determination of the value of ~~real or other tangible property~~ land at uniform and proportionate values. Notwithstanding any other provision of this Constitution, tangible personal property, as defined by the Legislature, unless exempt by this Constitution or by legislation enacted pursuant to this article, shall be subject to tax in whole or in part by valuation or otherwise in such manner as the Legislature may direct. Taxes uniform as to class of property or the ownership or use thereof may be levied by valuation or otherwise upon classes of intangible property as the Legislature may determine, and such intangible property held in trust or otherwise for the purpose of funding pension, profit-sharing, or other employee benefit plans as defined by the Legislature may be declared exempt from taxation. Taxes other than property taxes may be authorized by law. Existing revenue laws shall continue in effect until changed by the Legislature. The Legislature may provide that livestock shall constitute a separate and distinct class of property for purposes of taxation and may further provide for reciprocal and proportionate taxation of livestock located in this state for only part of a year. The Legislature may provide for a different method of taxing motor vehicles and may also establish a separate class of motor vehicles consisting of those owned and held for resale by motor vehicle dealers which shall be taxed in the manner and to the extent provided by the Legislature and may also establish a separate class for trucks, trailers, semitrailers, truck-tractors, or combinations thereof, consisting of those owned by residents and nonresidents of this state, and operating in interstate commerce, and may provide reciprocal and proportionate taxation of such vehicles; PROVIDED, that such tax proceeds from motor vehicles taxed in each county shall be allocated to the counties, townships, cities, villages, and school districts of such county in the same proportion that the levy of each bears to the total levy of the county on taxable property."

CVIII-2 "The property of the state and its governmental subdivisions shall be exempt from taxation. The Legislature by general law may exempt from taxation property owned by and used exclusively for agricultural and horticultural societies, and property owned and used exclusively for educational, religious, charitable, or cemetery purposes, when such property is not owned or used for financial gain or profit to either the owner or user. Household goods and personal effects, as defined by law, may be exempted from taxation in whole or in part, as may be provided by general law, and the Legislature may prescribe a formula for the determination of value of household goods and personal effects. The Legislature by general law may provide that the increased value of land by reason of shade or ornamental trees planted along the highway shall not be taken into account in the assessment of such land. The Legislature by general law and upon any terms, conditions, and restrictions it prescribes, may provide that the increased value of real property resulting from improvements designed primarily for energy conservation may be exempt from taxation. The value of a home substantially contributed by ~~the Veterans' Administration of the United States~~ Department of Veterans Affairs for a paraplegic veteran or multiple amputee shall be exempt from taxation during the life of such veteran or until the death or remarriage of his ~~widow or her remarriage~~ or her surviving spouse. The Legislature may exempt from an intangible property tax life insurance and life insurance annuity contracts and any payment connected therewith and any right to pension or retirement payments. ~~The~~ Notwithstanding any other provision of this Constitution, the Legislature may classify personal property in such manner as it sees fit; and may exempt any ~~of~~ such class or classes; or ~~may~~ exempt all personal property from taxation. No real property shall be exempt from taxation except as provided in this the Constitution. The Legislature may by general law provide that a portion of the value of any residence actually occupied as a homestead by any classification of owners as determined by the Legislature shall be exempt from taxation."

ALTERNATIVE 2

CVIII-1 "The necessary revenue of the state and its governmental subdivisions shall be raised by taxation in such manner as the Legislature may direct. Taxes shall be levied by valuation uniformly and proportionately upon all tangible and intangible property and franchises, except that: (1) The Legislature may provide that the taxation of inventory, including livestock, may be reciprocal and proportionate for such property located in this state for only part of a year; (2) the Legislature may provide for a different method of taxing motor vehicles and may also establish a separate class of

motor vehicles consisting of those owned and held for resale by motor vehicle dealers which shall be taxed in the manner and to the extent provided by the Legislature and may also establish a separate class for trucks, trailers, semitrailers, truck-tractors, or combinations thereof, consisting of those owned by residents and nonresidents of this state, and operating in interstate commerce, and may provide reciprocal and proportionate taxation of such vehicles; PROVIDED, that such tax proceeds from motor vehicles taxed in each county shall be allocated to the state, counties, townships, cities, villages, and school districts of such county in the same proportion that the levy of each bears to the total levy of the county on personal tangible property; and (2) (3) the Legislature may provide that agricultural land and horticultural land, as defined by the Legislature, shall constitute a separate and distinct class of property for purposes of taxation and may provide for a different method of taxing agricultural land and horticultural land which results in values that are not uniform and proportionate with all other tangible and intangible property and franchises but which results in values that are uniform and proportionate upon all property within the class of agricultural land and horticultural land. The Legislature may enact laws to provide that the value of land actively devoted to agricultural or horticultural use shall for property tax purposes be that value which such land has for agricultural or horticultural use without regard to any value which such land might have for other purposes or uses and may prescribe standards and methods for the determination of the value of real or other tangible and intangible property at uniform and proportionate values. ~~Taxes uniform as to class of property or the ownership or use thereof may be levied by valuation or otherwise upon classes of intangible property as the Legislature may determine, and such intangible~~ Intangible property held in trust or otherwise for the purpose of funding pension, profit-sharing, or other employee benefit plans as defined by the Legislature may be declared exempt from taxation. Taxes other than property taxes may be authorized by law. Existing revenue laws shall continue in effect until changed by the Legislature. ~~The Legislature may provide that livestock shall constitute a separate and distinct class of property for purposes of taxation and may further provide for reciprocal and proportionate taxation of livestock located in this state for only part of a year.~~

CVIII-2 "The property of the state and its governmental subdivisions shall be exempt from taxation. The Legislature by general law may exempt property owned by and used exclusively for agricultural and horticultural societies, and property owned and used exclusively for educational, religious, charitable, or cemetery

purposes, when such property is not owned or used for financial gain or profit to either the owner or user. Household goods and personal effects, as defined by law, may be exempted from taxation in whole or in part, as may be provided by general law, and the Legislature may prescribe a formula for the determination of value of household goods and personal effects. The Legislature by general law may provide that the increased value of land by reason of shade or ornamental trees planted along the highway shall not be taken into account in the assessment of such land. The Legislature by general law and upon any terms, conditions, and restrictions it prescribes, may provide that the increased value of real property resulting from improvements designed primarily for energy conservation may be exempt from taxation. The value of a home substantially contributed by ~~the Veterans' Administration of the United States~~ Department of Veterans Affairs for a paraplegic veteran or multiple amputee shall be exempt from taxation during the life of such veteran or until the death or remarriage of his ~~widow or her remarriage~~ or her surviving spouse. The Legislature may exempt from an intangible property tax life insurance and life insurance annuity contracts and any payment connected therewith and any right to pension or retirement payments. ~~The Legislature may classify personal property in such manner as it sees fit, and may exempt any of such classes, or may exempt all personal property from taxation.~~ The Legislature shall not exempt any personal property from taxation unless specifically authorized by this Constitution. No property shall be exempt from taxation except as provided in ~~the~~ this Constitution. The Legislature may by general law provide that a portion of the value of any residence actually occupied as a homestead by any classification of owners as determined by the Legislature shall be exempt from taxation.”.

Sec. 2. That the proposed amendments shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1. The propositions for the submission of the proposed amendments shall be placed upon the ballot in the following forms:

“A constitutional amendment to remove personal property from provisions requiring that taxes be levied by valuation uniformly and proportionately and to authorize the Legislature to provide for the taxation of tangible personal property in such manner as the Legislature may direct.

For

Against”.

“A constitutional amendment to remove a provision authorizing the Legislature to classify and exempt personal property from

taxation as it sees fit, to require uniform and proportionate taxation of tangible and intangible property, to authorize reciprocal and proportionate taxation of inventory, including livestock, to remove a provision authorizing the Legislature to classify livestock as a separate and distinct class of property, and to prohibit the Legislature from granting exemptions to classes of personal property unless specifically authorized by the Constitution of Nebraska.

For

Against".

Sec. 3. That the proposed amendments, if adopted, shall be in force and take effect immediately upon the completion of the canvass of the votes, at which time it shall be the duty of the Governor to proclaim it or them as a part of the Constitution of Nebraska.

Referred to the Reference Committee.

REFERENCE COMMITTEE REPORT

The Legislative Council Executive Board submits the attached report on the referral of legislative resolution 8CA.

LR Committee
8CA Revenue

(Signed) Jerome Warner, Chairperson
Legislative Council
Executive Board

NOTICE OF COMMITTEE HEARING

Revenue

LR 8CA Wednesday, July 10, 1991

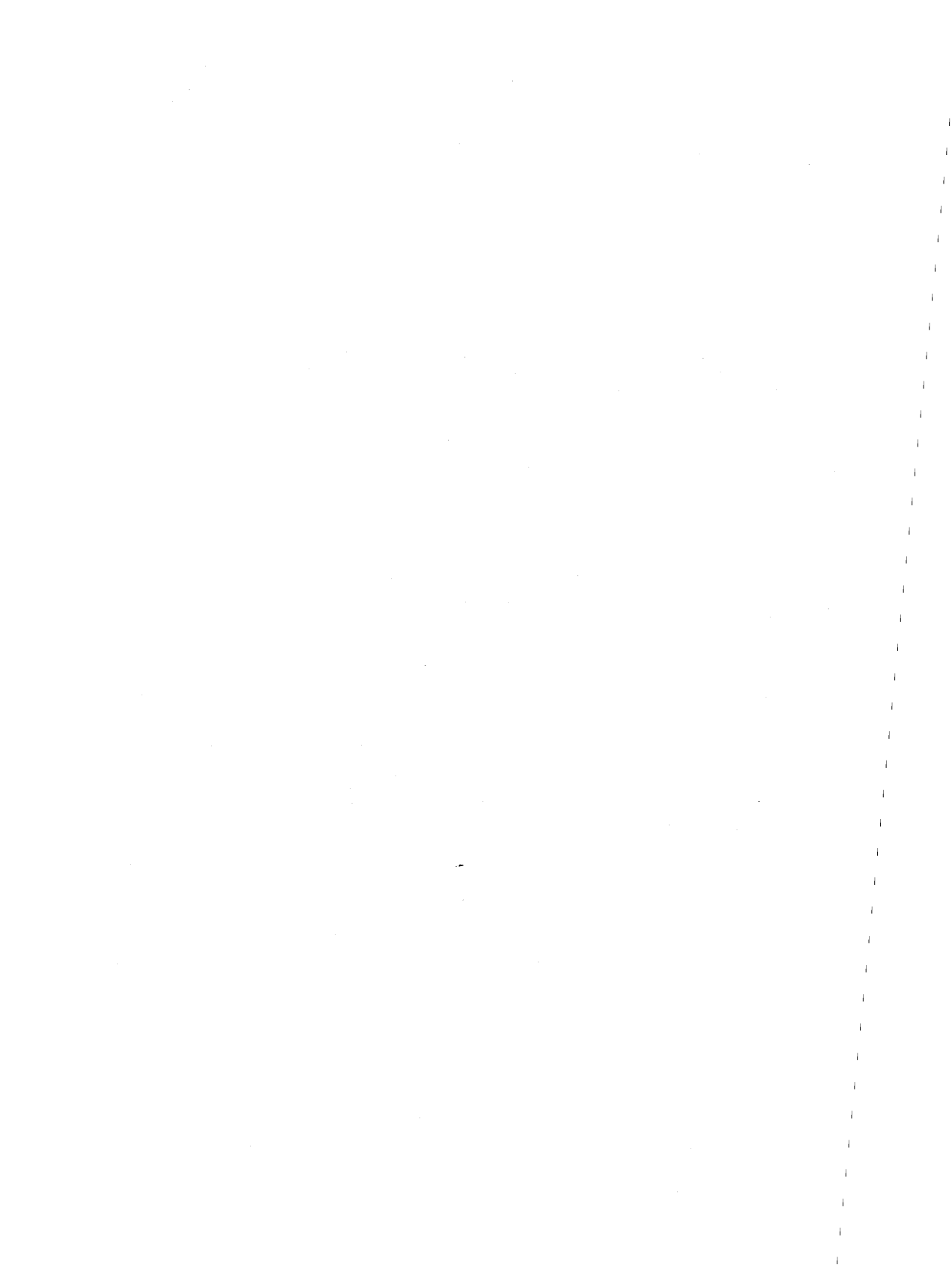
9:00 a.m.

(Signed) Tim Hall, Chairperson

ADJOURNMENT

At 10:42 a.m., on a motion by Mr. Baack, the Legislature adjourned until 4:00 p.m., Wednesday, July 10, 1991.

Patrick J. O'Donnell
Clerk of the Legislature



THIRD DAY - JULY 10, 1991

LEGISLATIVE JOURNAL

THIRD DAY - JULY 10, 1991
LEGISLATIVE JOURNAL
NINETY-SECOND LEGISLATURE
FIRST SPECIAL SESSION

THIRD DAY

Legislative Chamber, Lincoln, Nebraska
Wednesday, July 10, 1991

Pursuant to adjournment, the Legislature met at 4:00 p.m., President Moul presiding.

PRAYER

The prayer was offered by Senator Dierks.

ROLL CALL

The roll was called and all members were present except Messrs. Ashford and Chizek who were excused; and Messrs. Bernard-Stevens, Beutler, and Schmit who were excused until they arrive.

CORRECTIONS FOR THE JOURNAL

The Journal for the Second Day was approved.

MESSAGE FROM THE GOVERNOR

July 9, 1991

Pat O'Donnell
Clerk of the Legislature
State Capitol
Lincoln, NE 68509

Dear Clerk O'Donnell,

THIRD DAY - JULY 10, 1991

55

Please withdraw the name of Gay Angel McTate who has been appointed to the Child Abuse Prevention Fund Board.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

NOTICE OF COMMITTEE HEARINGS
Health and Human Services

Governor Appointments Thursday, July 11, 1991 1:00 p.m.
Child Abuse Prevention Fund Board
Susan A. Thomas
Louise D. Schleich
Nancy Nielsen
Department on Aging
Jacklyn J. Smith
Foster Care Review Board
Myrna J. Schmid
Vicki F. Powell

(Signed) Don Wesely, Chairperson

Natural Resources

Governor Appointment Friday, July 12, 1991 1:00 p.m.
Nebraska Department of Environmental Control
Randolph Wood

(Signed) Rod Johnson, Chairperson

RESOLUTION

LEGISLATIVE RESOLUTION 9CA. Introduced by Hall, 7.

A Resolution to propose an amendment to the Constitution of Nebraska by adding a new section 13 to Article VIII.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NINETY-SECOND LEGISLATURE OF NEBRASKA, FIRST SPECIAL SESSION:

Section 1. That at a special election on September 17, 1991, there shall be submitted to the electors of the State of Nebraska for approval the following amendment to the Constitution of Nebraska

by adding a new section 13 to Article VIII which is hereby proposed by the Legislature:

CVIII-13 "Notwithstanding Article III, section 18, of this Constitution or any other provision of this Constitution, for calendar year 1991, all tangible personal property, except motor vehicles, and intangible personal property shall be exempt from taxation by valuation and shall not be required to be taxed uniformly and proportionately with real property. Such exemption shall not give any right to equalization of the valuation of real property with the valuation of exempt tangible personal property and intangible personal property."

Sec. 2. That the proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1. The proposition for the submission of the proposed amendment shall be placed upon the ballot in the following form:

"A constitutional amendment to provide that for calendar year 1991 all tangible and intangible personal property, except motor vehicles, shall be exempt from taxation by valuation and shall not be required to be taxed uniformly and proportionately with real property and to provide that such exemption shall not give any right to equalization of the valuation of real property with the valuation of exempt tangible and intangible personal property.

For

Against".

Sec. 3. That the proposed amendment, if adopted, shall be in force and take effect immediately upon the completion of the canvass of the votes, at which time it shall be the duty of the Governor to proclaim it as a part of the Constitution of Nebraska.

Referred to the Reference Committee.

REFERENCE COMMITTEE REPORT

The Legislative Council Executive Board submits the attached report on the referral of legislative resolution 9CA.

LR Committee
9CA Revenue

(Signed) Jerome Warner, Chairperson
Legislative Council
Executive Board

GENERAL FILE

LEGISLATIVE BILL 2. Title read. Considered.

Advanced to E & R for review with 42 ayes, 0 nays, 5 present and not voting, and 2 excused and not voting.

LEGISLATIVE BILL 3. Title read. Considered.

Advanced to E & R for review with 41 ayes, 0 nays, 6 present and not voting, and 2 excused and not voting.

NOTICE OF COMMITTEE HEARING
Revenue

LR 9CA Friday, July 12, 1991

9:00 a.m.

(Signed) Tim Hall, Chairperson

ADJOURNMENT

At 4:26 p.m., on a motion by Mr. Baack, the Legislature adjourned until 1:00 p.m., Friday, July 12, 1991.

Patrick J. O'Donnell
Clerk of the Legislature

FOURTH DAY - JULY 12, 1991

LEGISLATIVE JOURNAL

FOURTH DAY - JULY 12, 1991

LEGISLATIVE JOURNAL

**NINETY-SECOND LEGISLATURE
FIRST SPECIAL SESSION**

FOURTH DAY

Legislative Chamber, Lincoln, Nebraska
Friday, July 12, 1991

Pursuant to adjournment, the Legislature met at 1:04 p.m., Speaker Baack presiding.

PRAYER

The prayer was offered by Senator Lowell C. Johnson.

ROLL CALL

The roll was called and all members were present except Mr. Lynch and Mrs. Rasmussen who were excused; and Mr. Chizek who was excused until he arrives.

CORRECTIONS FOR THE JOURNAL

The Journal for the Third Day was approved.

REPORT

Received annual report from the Nebraska Public Counsel/Ombudsman in accordance with Section 81-8.251, R.R.S. 1943.

**SELECT COMMITTEE REPORTS
Enrollment and Review**

LEGISLATIVE BILL 2. Placed on Select File.
LEGISLATIVE BILL 3. Placed on Select File.

(Signed) Eric Will, Chairperson

STANDING COMMITTEE REPORT
Education

The Committee on Education desires to report favorably upon the appointments listed below. The Committee suggests the appointments be confirmed by the Legislature and suggests a record vote.

Nebraska Educational Telecommunications Commission
Dr. Charles Harrington
Dr. Thomas Reeves

Board of Trustees State College System
Wendell L. Quist

Nebraska Educational Lands and Funds
Robert E. Mundy

Vote: Aye: Senators Withem, Nelson, Dierks, Warner, and Lamb.
Nay: None. Absent: Senators Chizek, Beutler, and Schrock.

(Signed) Ron Withem, Chairperson

REPORT OF REGISTERED LOBBYISTS

In accordance with LB 987, passed in the 1976 session of the Legislature and amended by LB 4 and LB 41 in the 1977 session of the Legislature, the attached is a list of all Lobbyists who have registered as of July 11, 1991. Further lists listing additional lobbyists who have registered will be filed weekly.

(Signed) Patrick J. O'Donnell
Clerk of the Legislature

Barrett, Michael S. - Lincoln (Withdrawn 91/07/31)	Nebraska Cooperative Council
Baum, Richard H. - Lincoln (Withdrawn 91/06/10)	Nebraska School Improvement Association
Brasel, Bryce J. - Omaha	Nebraska Association of Homes for the Aging
Heineman, David - Lincoln (Withdrawn 91/06/30)	Nebraska Republican Party
Kozlik, Michael D. - Omaha	Omaha Area Board of Realtors

Moody, Randall J. - Lincoln	Better Nebraska Association (Withdrawn 91/06/20)
Robinson, Al - North Platte (Withdrawn 91/06/30)	Nebraska Society of Radiologic Technologists
Smith, Alvin T. - Lincoln (Withdrawn 91/07/01)	Nebraska Water Resources Association
Starnes, Marcia A. - Lincoln (Withdrawn 91/07/01)	Nebraska Water Resources Association
Vickers, Tom - Lincoln	Citizens for Quality Education (Withdrawn 91/06/06)
	Nebraska Association of School Boards
Vining, Robert V. - Lincoln (Withdrawn 91/06/14)	American Association of Retired Persons

MOTION - Committee Chairperson

Mr. Baack moved to proceed to the election of the General Affairs Committee Chairperson, by secret ballot, in accordance with Rule 3, Sec. 7a.

The motion prevailed.

CHAIRPERSON - General Affairs

Mr. Schellpeper placed his name in nomination.

Mr. Bernard-Stevens placed his name in nomination.

The Chair declared the nominations closed.

The Chair appointed Messrs. Dierks, Conway, and R. Johnson as tellers.

Schellpeper	24
Bernard-Stevens	<u>22</u>
	46

The Chair announced that a second ballot would be cast between Mr. Schellpeper and Mr. Bernard-Stevens.

The Chair appointed Messrs. Withem, Schrock, and Mrs. Hillman as tellers.

Schellpeper	22
Bernard-Stevens	<u>24</u>
	46

The Chair announced that a third ballot would be cast between Mr. Schellpeper and Mr. Bernard-Stevens.

The Chair appointed Messrs. Hall, Moore, and Byars as tellers.

Schellpeper	23
Bernard-Stevens	<u>23</u>
	46

The Chair announced the election for Chairperson of General Affairs Committee will be continued at a later date.

STANDING COMMITTEE REPORTS

Banking, Commerce and Insurance

The Committee on Banking, Commerce and Insurance desires to report favorably upon the appointments listed below. The Committee suggests the appointments be confirmed by the Legislature and suggests a record vote.

Connie J. Day, Nebraska Research and Development Authority

Vote: Aye: Senators Landis, Abboud, Conway, Lindsay, and Wesely.
Absent: Senators Schmit, Haberman, and Hall.

Margaret Hornady, Nebraska Research and Development Authority

Vote: Aye: Senators Landis, Abboud, Conway, Lindsay, and Wesely.
Absent: Senators Schmit, Haberman, and Hall.

(Signed) David Landis, Chairperson

Government, Military and Veterans Affairs

The Committee on Government, Military and Veterans Affairs desires to report favorably upon the appointments listed below. The

Committee suggests the appointments be confirmed by the Legislature and suggests a record vote.

Michael R. Durst, State Fire Marshal

Michael F. Kinney, Nebraska Accountability and Disclosure Commission

Charles J. Dougherty, Nebraska Accountability and Disclosure Commission

Vote: Aye: Senators Conway, Withem, Robak, Coordsen, Schimek, and Schrock.

(Signed) Gerald Conway, Chairperson

Natural Resources

The Committee on Natural Resources desires to report favorably upon the appointment listed below. The Committee suggests the appointment be confirmed by the Legislature and suggests a record vote.

Randolph Wood, Nebraska Department of Environmental Control

Vote: Aye: Senators Beutler, Hartnett, Horgan, R. Johnson, Morrissey, and Schmit. Nay: None. Absent: Senators Elmer and Lamb.

(Signed) Rod Johnson, Chairperson

RECESS

At 2:06 p.m., on a motion by Mr. Hefner, the Legislature recessed until 4:00 p.m.

AFTER RECESS

The Legislature reconvened at 4:06 p.m., Speaker Baack presiding.

ROLL CALL

The roll was called and all members were present except Messrs. Ashford, Chizek, Lynch, Mmes. Rasmussen, and Robak who were excused; and Messrs. Abboud, Beutler, Lamb, Lindsay, Morrissey,

Wesely, Withem, and Ms. Schimek who were excused until they arrive.

AMENDED PROCLAMATION

BY VIRTUE OF THE AUTHORITY VESTED in the Governor by Article IV, Section 8, of the Constitution of the State of Nebraska, I, E. Benjamin Nelson, as Governor of the State of Nebraska, DO HEREBY AMEND THE CALL of the Legislature of Nebraska first issued on July 2, 1991 as follows, in substitution for the language of the original call, to allow for the consideration and enactment of legislative business on only the following subjects:

1. Proposals to repeal and amend portions of Article 8, of the Constitution of the State of Nebraska to separate tangible property into the classes of real and personal property, to remove the uniformity and proportionality clause only from tangible personal property, to allow taxation of personal property by value or other methods and to authorize the Legislature to classify and exempt from taxation certain classes of personal property within the class of personal property and provide for a special election to submit such amendment or amendments to the electors.
2. Legislation to assess, value and tax tangible personal property for tax year 1991.
3. Legislation to change the date for the certification of a levy of a property tax for tax year 1991 by any political subdivision of the State of Nebraska.
4. Appropriate funds for the necessary expenses of a special election for the adoption of a constitutional amendment or amendments.
5. Appropriate funds for the necessary expenses of the extraordinary session herein called.

I direct that members of the Legislature of the State of Nebraska be notified of this amended Call of this extraordinary session by presenting to each of them a copy of this Proclamation.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the Great Seal of the State of Nebraska to be affixed this

Twelfth day of July, in the year of our Lord One Thousand Nine Hundred and Ninety-one.

(Signed) E. BENJAMIN NELSON
Governor

(SEAL)Attest:

(Signed) ALLEN J. BEERMANN
Secretary of State

BILLS ON FIRST READING

The following bills were read for the first time by title:

LEGISLATIVE BILL 5. Introduced by Schmit, 23; R. Johnson, 34; Dierks, 40; Lamb, 43.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-202, Reissue Revised Statutes of Nebraska, 1943, as amended by section 7, Legislative Bill 829, Ninety-second Legislature, First Session, 1991; to eliminate the personal property tax as prescribed; and to repeal the original section.

LEGISLATIVE BILL 6. Introduced by Revenue Committee: Hall, 7, Chairperson; Hefner, 19; Landis, 46; Rogers, 41; Warner, 25; Will, 8.

A BILL FOR AN ACT relating to revenue and taxation; to amend sections 2-2444, 14-1821, 18-2107, 23-132, 23-343.46, 31-331, 31-333, 31-513, 31-711, 31-739, 39-1621, 46-543, 46-631, 77-1229, 77-1229.01, 77-1601, 77-1612, 77-4105, 77-4107, 79-434, and 79-2210, Reissue Revised Statutes of Nebraska, 1943, sections 13-508 and 79-2650, Revised Statutes Supplement, 1990, section 77-202, Reissue Revised Statutes of Nebraska, 1943, as amended by section 7, Legislative Bill 829, Ninety-second Legislature, First Session, 1991, Laws 1981, LB 81, section 6, and Laws 1981, LB 81, section 5, as amended by Laws 1986, LB 124, section 3, and section 2, Legislative Bill 137, Ninety-second Legislature, First Session, 1991; to change certain levy certification dates for 1991; to change the date county boards of equalization levy taxes for 1991; to eliminate and provide property tax exemptions; to change the date for listing personal property for property taxation purposes for 1991 and related dates; to provide for appeals relating to personal property taxation; to require filings by car and railroad companies; to eliminate certain business incentives; to harmonize provisions; to correct and change operative date and

repealer provisions; to provide operative dates; to repeal the original sections, and also sections 77-202.46 and 77-202.47, Reissue Revised Statutes of Nebraska, 1943; and to declare an emergency.

REFERENCE COMMITTEE REPORT

The Legislative Council Executive Board submits the attached report on the referral of legislative bills 5 and 6.

LB	Committee
5	Revenue
6	Revenue

(Signed) Jerome Warner, Chairperson
Legislative Council
Executive Board

NOTICE OF COMMITTEE HEARING Revenue

LB 5	Monday, July 15, 1991	9:00 a.m.
LB 6	Monday, July 15, 1991	9:00 a.m.

(Signed) Tim Hall, Chairperson

MESSAGES FROM THE GOVERNOR

July 11, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Gasohol Committee requiring legislative approval.

Appointee: Toby C. Dellamano, 1423 N. 131st Av. Circle,
Omaha, NE 68154, 402-496-8463 h 402-391-6135 w.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

July 11, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Gasohol Committee requiring legislative approval.

Appointee: J. Patrick Hillebrandt, 2401 Hanscom Blvd.,
Omaha, NE 68105, 402-333-5859 w, 402-341-7655 h.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

July 11, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Gasohol Committee requiring legislative approval.

Appointee: Frank Johannsen, HC 86, Box 149, Bayard, NE
69334, 308-262-0555.

FOURTH DAY - JULY 12, 1991

67

This appointment is respectfully submitted for your consideration.

(Signed) Sincerely,
E. Benjamin Nelson
Governor

EBN:fc

July 11, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Gasohol Committee requiring legislative approval.

Appointee: Ronald Stoddard, 2305 West C St., North Platte,
NE 69101, 308-532-4097.

This appointment is respectfully submitted for your consideration.

(Signed) Sincerely,
E. Benjamin Nelson
Governor

EBN:fc

July 11, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Gasohol Committee requiring legislative approval.

Appointee: John D. McKenzie, RR 3, Box 71, Harvard, NE
68944, 402-773-5233.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

REFERENCE COMMITTEE REPORT

The Legislative Council Executive Board submits the attached report on the referral of Governor appointments.

Natural Resources
Toby D. Dellamano
J. Patrick Hillebrandt
Frank Johannsen
Ronald Stoddard
John D. McKenzie

(Signed) Jerome Warner, Chairperson
Legislative Council
Executive Board

NOTICE OF COMMITTEE HEARING

Natural Resources

Governor Appointments Saturday, July 13, 1991 10:00 a.m.
Toby D. Dellamano
J. Patrick Hillebrandt
Frank Johannsen
Ronald Stoddard
John D. McKenzie

(Signed) Rod Johnson, Chairperson

ADJOURNMENT

At 4:20 p.m., on a motion by Mr. Hall, the Legislature adjourned until 9:00 a.m., Saturday, July 13, 1991.

Patrick J. O'Donnell
Clerk of the Legislature

FIFTH DAY - JULY 13, 1991

LEGISLATIVE JOURNAL

FIFTH DAY - JULY 13, 1991
LEGISLATIVE JOURNAL
NINETY-SECOND LEGISLATURE
FIRST SPECIAL SESSION

FIFTH DAY

Legislative Chamber, Lincoln, Nebraska
Saturday, July 13, 1991

Pursuant to adjournment, the Legislature met at 9:01 a.m., Speaker Baack presiding.

PRAYER

The prayer was offered by Senator Elroy Hefner.

ROLL CALL

The roll was called and all members were present except Messrs. Abboud, Ashford, Beutler, Chizek, Conway, Dierks, Hall, Hartnett, Kristensen, Lamb, Lynch, Morrissey, Wickersham, Withem, Mmes. Hillman, Labedz, Pirsch, Rasmussen, and Robak who were excused.

CORRECTIONS FOR THE JOURNAL

The Journal for the Fourth Day was approved.

NOTICE OF COMMITTEE HEARING
Revenue

LB 5	Monday, July 15, 1991	9:00 a.m.
LB 6	Monday, July 15, 1991	9:00 a.m.

(Signed) Tim Hall, Chairperson

STANDING COMMITTEE REPORT
Revenue

LEGISLATIVE RESOLUTION 1CA. Placed on General File as amended.

Standing Committee amendment to LR 1CA:

AM014S

1 1. Strike beginning with page 1, line 1,
2 through page 7, line 10, and insert the following:
3 "A Resolution to propose an amendment to the
4 Constitution of Nebraska by amending Article VIII,
5 sections 1 and 2, and by repealing Article VIII,
6 sections 2A and 10.

7 NOW, THEREFORE. BE IT RESOLVED BY THE MEMBERS
8 OF THE NINETY-SECOND LEGISLATURE OF NEBRASKA, FIRST
9 SPECIAL SESSION:

10 Section 1. That at a special election on
11 September 17, 1991, there shall be submitted to the
12 electors of the State of Nebraska for approval the
13 following amendment to the Constitution of Nebraska by
14 amending Article VIII, sections 1 and 2, and by
15 repealing Article VIII, sections 2A and 10, which is
16 hereby proposed by the Legislature:

17 CVIII-1 ~~The necessary revenue of the state~~
18 ~~and its governmental subdivisions shall be raised by~~
19 ~~taxation in such manner as the Legislature may direct.~~
20 ~~Taxes shall be levied by valuation uniformly and~~
21 ~~proportionately upon all tangible property and~~
1 ~~franchises, except that: (1) The Legislature may~~
2 ~~provide for a different method of taxing motor vehicles~~
3 ~~and may also establish a separate class of motor~~
4 ~~vehicles consisting of those owned and held for resale~~
5 ~~by motor vehicle dealers which shall be taxed in the~~
6 ~~manner and to the extent provided by the Legislature and~~
7 ~~may also establish a separate class for trucks,~~
8 ~~trailers, semitrailers, truck tractors, or combinations~~
9 ~~thereof, consisting of those owned by residents and~~
10 ~~nonresidents of this state, and operating in interstate~~
11 ~~commerce, and may provide reciprocal and proportionate~~
12 ~~taxation of such vehicles; PROVIDED, that such tax~~
13 ~~proceeds from motor vehicles taxed in each county shall~~
14 ~~be allocated to the state, counties, townships, cities,~~
15 ~~villages, and school districts of such county in the~~
16 ~~same proportion that the levy of each bears to the total~~

17 levy of the county on personal tangible property; and
18 ~~(2) the Legislature may provide that agricultural land~~
19 ~~and horticultural land, as defined by the Legislature,~~
20 ~~shall constitute a separate and distinct class of~~
21 ~~property for purposes of taxation and may provide for a~~
22 ~~different method of taxing agricultural land and~~
23 ~~horticultural land which results in values that are not~~
24 ~~uniform and proportionate with all other tangible~~
1 ~~property and franchises but which results in values that~~
2 ~~are uniform and proportionate upon all property within~~
3 ~~the class of agricultural land and horticultural land.~~
4 ~~The Legislature may enact laws to provide that the value~~
5 ~~of land actively devoted to agricultural or~~
6 ~~horticultural use shall for property tax purposes be~~
7 ~~that value which such land has for agricultural or~~
8 ~~horticultural use without regard to any value which such~~
9 ~~land might have for other purposes or uses and may~~
10 ~~prescribe standards and methods for the determination of~~
11 ~~the value of real or other tangible property at uniform~~
12 ~~and proportionate values. Taxes uniform as to class of~~
13 ~~property or the ownership or use thereof may be levied~~
14 ~~by valuation or otherwise upon classes of intangible~~
15 ~~property as the Legislature may determine, and such~~
16 ~~intangible property held in trust or otherwise for the~~
17 ~~purpose of funding pension, profit sharing, or other~~
18 ~~employee benefit plans as defined by the Legislature may~~
19 ~~be declared exempt from taxation. Taxes other than~~
20 ~~property taxes may be authorized by law. Existing~~
21 ~~revenue laws shall continue in effect until changed by~~
22 ~~the Legislature. The Legislature may provide that~~
23 ~~livestock shall constitute a separate and distinct class~~
24 ~~of property for purposes of taxation and may further~~
1 ~~provide for reciprocal and proportionate taxation of~~
2 ~~livestock located in this state for only part of a year.~~
3 The necessary revenue of the state and its governmental
4 subdivisions shall be raised by taxation in such manner
5 as the Legislature may direct. Taxes shall be levied on
6 real property by valuation uniformly and proportionately
7 except that:
8 (1) The following real property shall be
9 exempt from ad valorem taxation:
10 (a) The property of the state and its
11 governmental subdivisions;
12 (b) Property owned by and used exclusively for

13 agricultural and horticultural societies and property
14 used exclusively for educational, religious, charitable,
15 or cemetery purposes when such property is not owned or
16 used for financial gain or profit to either the owner or
17 the user; and

18 (c) Any home substantially contributed by the
19 United States Department of Veterans Affairs for a
20 paraplegic veteran or multiple amputee during the life
21 of such veteran or until the death or remarriage of his
22 or her surviving spouse; and

23 (2) The following taxable real property may be
24 given preference in taxation as follows:

1 (a) The Legislature may provide that
2 agricultural and horticultural land as defined by the
3 Legislature shall constitute a separate and distinct
4 class of property for purposes of taxation and may
5 provide for a different method of taxing such land which
6 results in values that are not uniform and proportionate
7 with respect to all other real property but which
8 results in values that are uniform and proportionate
9 with respect to all property within the class;

10 (b) The Legislature may provide that the value
11 of land actively devoted to agricultural or
12 horticultural use shall for property tax purposes be
13 that value which the land has for agricultural or
14 horticultural use without regard to any value which the
15 land might have for other purposes; and

16 (c) The Legislature may provide that a portion
17 of the value of any residence actually occupied as a
18 homestead by any rational classification of owners as
19 determined by the Legislature shall be exempt from
20 taxation.

21 The Legislature may prescribe standards and
22 methods for the determination of the value of real
23 property at uniform and proportionate values. The
24 provisions in this section shall have no application to
1 the taxation of tangible or intangible personal
2 property. Taxes other than property taxes may be
3 authorized by law. Existing revenue laws shall continue
4 in effect until changed by the Legislature.'

5 CVIII-2 'The property of the state and its
6 governmental subdivisions shall be exempt from taxation.
7 The Legislature by general law may exempt property owned
8 by and used exclusively for agricultural and

horticultural societies, and property owned and used exclusively for educational, religious, charitable, or cemetery purposes, when such property is not owned or used for financial gain or profit to either the owner or user. Household goods and personal effects, as defined by law, may be exempted from taxation in whole or in part, as may be provided by general law, and the Legislature may prescribe a formula for the determination of value of household goods and personal effects. The Legislature by general law may provide that the increased value of land by reason of shade or ornamental trees planted along the highway shall not be taken into account in the assessment of such land. The Legislature by general law and upon any terms, conditions, and restrictions it prescribes, may provide that the increased value of real property resulting from improvements designed primarily for energy conservation may be exempt from taxation. The value of a home substantially contributed by the Veterans' Administration of the United States for a paraplegic veteran or multiple amputee shall be exempt from taxation during the life of such veteran or until the death of his widow or her remarriage. The Legislature may exempt from an intangible property tax life insurance and life insurance annuity contracts and any payment connected therewith and any right to pension or retirement payments. The Legislature may classify personal property in such manner as it sees fit, and may exempt any of such classes, or may exempt all personal property from taxation. No property shall be exempt from taxation except as provided in the Constitution. The Legislature may by general law provide that a portion of the value of any residence actually occupied as a homestead by any classification of owners as determined by the Legislature shall be exempt from taxation. The Legislature may provide for the taxation of tangible personal property in whole or in part by valuation, transaction, value added, capitalized cash flow, or any other method selected by the Legislature.

The following tangible personal property shall be exempt from ad valorem taxation:

(1) The property of the state and its governmental subdivisions;

(2) Property owned by and used exclusively for

5 agricultural and horticultural societies and property
6 used exclusively for educational, religious, charitable,
7 or cemetery purposes when such property is not owned or
8 used for financial gain or profit to either the owner or
9 the user; and

10 (3) Household goods and personal effects, as
11 defined by the Legislature.

12 Notwithstanding Article III, section 18, of
13 this Constitution or any other provision of this
14 Constitution, the Legislature may make rational
15 classifications within the class of tangible personal
16 property and may provide for different methods of
17 valuing such classes, may exempt any such class or
18 classes, and may exempt all personal property from ad
19 valorem taxation.'

20 CVIII-2A 'Article VIII, section 2A, of the
21 Constitution of Nebraska is repealed.'

22 CVIII-10 'Article VIII, section 10, of the
23 Constitution of Nebraska is repealed.'

24 Sec. 2. That the proposed amendment shall be
1 submitted to the electors in the manner prescribed by
2 the Constitution of Nebraska, Article XVI, section 1.
3 The proposition for the submission of the proposed
4 amendment shall be placed upon the ballot in the
5 following form:

6 'A constitutional amendment to provide that
7 taxes shall be levied on real property by
8 valuation uniformly and proportionately; to
9 authorize the Legislature to give preference
10 in taxation to certain real property; to
11 exempt specified real property and tangible
12 personal property from ad valorem taxation; to
13 authorize the Legislature to provide for the
14 taxation of tangible personal property by
15 valuation, transaction, value added,
16 capitalized cash flow, or any other method
17 selected by the Legislature, to make rational
18 classifications of tangible personal property,
19 and to provide for different methods of
20 valuing or for the exemption of such classes;
21 to eliminate provisions relating to taxation
22 of intangible property; and to eliminate
23 provisions relating to bonded and licensed
24 warehouses or storage areas.

1 For
2 Against'.

3 Sec. 3. That the proposed amendment, if
4 adopted, shall be in force and take effect immediately
5 upon the completion of the canvass of the votes, at
6 which time it shall be the duty of the Governor to
7 proclaim it as a part of the Constitution of Nebraska.”.

(Signed) Tim Hall, Chairperson

POINT OF PERSONAL PRIVILEGE

Mrs. Crosby rose on a point of personal privilege.

Mr. Chambers rose on a point of personal privilege.

ADJOURNMENT

At 9:23 a.m., on a motion by Mr. Byars, the Legislature adjourned until 2:30 p.m., Monday, July 15, 1991.

Patrick J. O'Donnell
Clerk of the Legislature

SIXTH DAY - JULY 15, 1991

LEGISLATIVE JOURNAL

**NINETY-SECOND LEGISLATURE
FIRST SPECIAL SESSION**

SIXTH DAY

Legislative Chamber, Lincoln, Nebraska
Monday, July 15, 1991

Pursuant to adjournment, the Legislature met at 2:31 p.m., Speaker Baack presiding.

PRAYER

The prayer was offered by Rev. Harland Johnson, Chaplain Coordinator.

ROLL CALL

The roll was called and all members were present except Messrs. Chizek, Conway, Moore, and Mrs. Rasmussen who were excused; and Messrs. R. Johnson, Landis, Schmit, and Wehrbein who were excused until they arrive.

CORRECTIONS FOR THE JOURNAL

The Journal for the Fifth Day was approved.

ATTORNEY GENERAL'S OPINION

Opinion No. 91060

DATE: July 10, 1991

SUBJECT: Nebraska Wheat Board - Scope of Authority

REQUESTED BY: Senator Rod Johnson

WRITTEN BY: Don Stenberg, Attorney General
Steve Grasz, Deputy Attorney General

At your direction, we have reactivated an opinion request you first submitted on September 24, 1990, to which you received no reply.

In your original request, you stated,

A series of opinions rendered by Bernard Packett to the Nebraska Wheat Board in April and May of 1990, are causing considerable dismay to that Board - and, by possible extension, to other commodity checkoff boards. Because these opinions are so restrictive of the board's activities, I respectfully request your review of the ten opinions.

I would appreciate your interpretation so that I can judge whether corrective legislation is warranted.

A summary of the above referenced ten informal opinions follows:

4-6-90 Subject - 22 Research and Grant Funding Proposals.

Opinion - Only one proposal, the "Global Trade Competitiveness Project" would qualify for funding by the Wheat Board.

4-26-90 Subject - Funding of Program Proposal by Nebraska Council on Economic Education.

Opinion - Proposal is Beyond the Scope of the Wheat Board's Authority.

4-26-90 Subject - Funding Proposal of Nebraska Wheat Hearts.

Opinion - Activities Proposed are not within the Scope of the Wheat Board's Authority.

4-26-90 Subject - Funding Proposal for Wheat Strike Force.

Opinion - Activities Proposed are Beyond the Scope of the Wheat Board's Authority.

Subject - KOLN/KGIN "For the Family" ad funding request.

Opinion - Activity is Beyond the Scope of the Wheat Board's Authority.

5-1-90 Subject - Funding Proposal of Nebraska Food Industry Foundation.

Opinion - Activity is not Within the Wheat Board's Scope of Authority.

5-1-90 Subject - Proposed foreign marketing contract submitted by Agro Consulting and Trading.

Opinion - Proposal is within the Wheat Board's Authority.

5-1-90 Subject - Proposed Advertising Agreement with KRVN Radio.

Opinion - It is not clear how the proposal would relate directly to a program of marketing . . . {or} how the proposal would reach . . . the foreign market.

5-1-90 Subject - Funding Proposals of National Association of Wheat Growers.

Opinion - Proposals fall outside the Wheat Board's Authority.

5-1-90 Subject - Proposal of U.S. Wheat Associates.

Opinion - It would be questionable for the board to assist in the funding of this program.

5-1-90 Subject - Funding Proposal of Wheat Foods Council.

Opinion - Activity is not within Wheat Board's Authority.

The above informal opinions appear to be based on Attorney General Opinion 90017, dated February 28, 1990 and a narrow interpretation of Neb.Rev.Stat. §2-2309(1) and (2) (the Nebraska Wheat Resources Act or "the Act").

Section 2-2309 provides the Nebraska Wheat Development, Utilization, and Marketing Board (the "Wheat Board") shall have the power to:

(1) Formulate the general policies and programs of the State of Nebraska respecting the discovery, promotion, and development

of markets and industries for the utilization of wheat grown within the State of Nebraska;

(2) Adopt and devise a program of education and publicity;
Neb.Rev.Stat. §2-2309(1)(2) (Cum.Supp. 1990).

The ten informal opinions do not appear to give proper consideration to §2-2309(5) which provides the Wheat Board shall also have the power to:

(5) Conduct, in addition to the things enumerated, any other program for the development, utilization, and marketing of wheat grown in the State of Nebraska. Such programs may include a program to make grants and enter into contracts for research, accumulation of data, and construction of ethanol production facilities.

Neb.Rev.Stat. §2-2309(5). Clearly, the Wheat Board may conduct programs for wheat development and utilization, in addition to marketing.

These opinions also fail to properly consider §2-2309(2) and (3) in the context of the purpose of the Act. Under §2-2309(3), the Wheat Board has the power to "Cooperate with local, state, or national organizations, whether public or private, in carrying out the purposes of the Nebraska Wheat Resources Act and to enter into such contracts as may be necessary." (Emphasis added). The purposes of the Act are set forth in the same section of the statute:

It is hereby declared to be the public policy of the State of Nebraska to protect and foster the health, prosperity, and general welfare of its people by protecting and stabilizing the wheat industry and the economy of the areas producing wheat.

Neb.Rev.Stat. §2-2309 (Emphasis added). This statement is subsequently referred to twice as being the purpose of the Act. In fact, the enumeration of powers of the Wheat Board is preceded by the Words "in connection with and in furtherance of such purpose, such Board shall have the power to:" Id. (Emphasis added.)

Thus, the Wheat Board is authorized, among other things, to adopt and devise a program of education and publicity which furthers the purpose of protecting and stabilizing the wheat industry and the economy of the areas producing wheat. The Wheat Board may also cooperate or contract with local, state, or national organizations for this purpose.

To the extent Attorney General Opinion No. 90017 is inconsistent with this opinion it is hereby overruled. Likewise, to the extent any of the ten informal opinions discussed above are inconsistent with the statutory authority of the Wheat Board as set forth above, they may be disregarded. All Wheat Board activities, of course, remain subject to the provisions of the Nebraska and United States Constitutions,

and particular activities or programs must be evaluated on an individual basis.

Sincerely yours,
DON STENBERG
Attorney General
(Signed) Steve Grasz
Deputy Attorney General

3-227-3

STANDING COMMITTEE REPORT
Health and Human Services

The Committee on Health and Human Services desires to report upon the appointments listed below. The Committee suggests the appointments be confirmed by the Legislature and suggests a record vote.

Susan A. Thomas - Child Abuse Prevention Board
Louise D. Schleich - Child Abuse Prevention Board
Jacklyn J. Smith - Director, Department on Aging
Myrna J. Schmid - Foster Care Review Board
Vicki F. Powell - Foster Care Review Board

VOTE: Aye: Senators Beyer, Byars, Cudaback, Dierks, Schellpeper, and Wesely. Nay: none. Absent: Senator Rasmussen.

(Signed) Don Wesely, Chairperson

MESSAGE FROM THE GOVERNOR

July 12, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Gasohol Committee requiring legislative approval.

Appointee: Harold F. McClure, 3615 Sixth Av., Kearney, NE 68847, 308-236-5087.

This appointment is respectfully submitted for your consideration.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

EBN:fc

MOTION - Approve Appointments

Mr. Coordsen moved the adoption of the report of the Government, Military and Veterans Affairs Committee for the following Governor appointments found in the Journal on page 61: Michael R. Durst - State Fire Marshal; and Michael F. Kinney and Charles J. Dougherty - Nebraska Accountability and Disclosure Commission.

Voting in the affirmative, 28:

Abboud	Coordsen	Hartnett	Morrissey	Rogers
Baack	Crosby	Hillman	Nelson	Schellpeper
Beyer	Cudaback	Horgan	Pirsch	Schrock
Bohlke	Dierks	Johnson, L.	Robak	Warner
Byars	Elmer	Kristensen	Robinson	Wickersham
Chambers	Haberman	Lamb		

Voting in the negative, 0.

Present and not voting, 13:

Ashford	Beutler	Labeledz	Peterson	Will
Bernard-	Hall	Lindsay	Schimek	Withem
Stevens	Hefner	Lynch	Wesely	

Excused and not voting, 8:

Chizek	Johnson, R.	Moore	Schmit	Wehrbein
Conway	Landis	Rasmussen		

These appointments were confirmed with 28 ayes, 0 nays, 13 present and not voting, and 8 excused and not voting.

Mr. Morrissey moved the adoption of the report of the Natural Resources Committee for the following Governor appointment found in the Journal on page 62: Randolph Wood - Nebraska Department of Environmental Control.

Voting in the affirmative, 30:

Abboud	Chambers	Haberman	Johnson, L.	Rogers
Baack	Coordsen	Hall	Kristensen	Schellpeper
Bernard-	Crosby	Hartnett	Morrissey	Schrock
Stevens	Cudaback	Hefner	Pirsch	Wehrbein
Beyer	Dierks	Hillman	Robak	Wickersham
Bohlke	Elmer	Horgan	Robinson	Will
Byars				

Voting in the negative, 0.

Present and not voting, 12:

Ashford	Lamb	Nelson	Schimek	Wesely
Beutler	Lindsay	Peterson	Warner	Withem
Labeledz	Lynch			

Excused and not voting, 7:

Chizek	Johnson, R.	Moore	Rasmussen	Schmit
Conway	Landis			

The appointment was confirmed with 30 ayes, 0 nays, 12 present and not voting, and 7 excused and not voting.

Mr. Dierks moved the adoption of the report of the Education Committee for the following Governor appointments found in the Journal on page 59: Dr. Charles Harrington and Dr. Thomas Reeves - Nebraska Educational Telecommunications Commission; Wendell L. Quist - Board of Trustees, State College System; and Robert E. Mundy - Nebraska Educational Lands and Funds.

Voting in the affirmative, 30:

Abboud	Beutler	Chambers	Dierks	Hartnett
Baack	Beyer	Coordsen	Elmer	Hillman
Bernard-	Bohlke	Crosby	Haberman	Horgan
Stevens	Byars	Cudaback	Hall	Johnson, L.

Kristensen	Pirsch	Robinson	Schellpeper	Wehrbein
Lynch	Robak	Rogers	Schrock	Will
Morrissey				

Voting in the negative, 0.

Present and not voting, 12:

Ashford	Lamb	Peterson	Warner	Wickersham
Hefner	Lindsay	Schimek	Wesely	Withem
Labedz	Nelson			

Excused and not voting, 7:

Chizek	Johnson, R.	Moore	Rasmussen	Schmit
Conway	Landis			

These appointments were confirmed with 30 ayes, 0 nays, 12 present and not voting, and 7 excused and not voting.

Mr. Abboud moved the adoption of the report of the Banking, Commerce and Insurance Committee for the following Governor appointments found in the Journal on page 61: Connie J. Day and Margaret Hornady - Nebraska Research and Development Authority.

Voting in the affirmative, 27:

Abboud	Byars	Hall	Morrissey	Rogers
Baack	Chambers	Hillman	Nelson	Schellpeper
Bernard-	Crosby	Horgan	Pirsch	Schrock
Stevens	Cudaback	Johnson, L.	Robak	Wehrbein
Beutler	Elmer	Lamb	Robinson	Will
Beyer	Haberman	Lynch		

Voting in the negative, 0.

Present and not voting, 15:

Ashford	Dierks	Kristensen	Peterson	Wesely
Bohlke	Hartnett	Labedz	Schimek	Wickersham
Coordsen	Hefner	Lindsay	Warner	Withem

Excused and not voting, 7:

Chizek	Johnson, R.	Moore	Rasmussen	Schmit
Conway	Landis			

These appointments were confirmed with 27 ayes, 0 nays, 15 present and not voting, and 7 excused and not voting.

GENERAL FILE

LEGISLATIVE RESOLUTION 1CA. Read. Considered.

Standing Committee amendment, AM014S, found in the Journal on page 71, was considered.

Mr. Chambers offered the following amendment to the pending Standing Committee amendment:

FA1S

P. 3, line 11, after "land", insert: "exclusively and"

Mr. Hall moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 25 ayes, 0 nays, and 24 not voting.

Mr. Chambers requested a record vote on his amendment to the pending Standing Committee amendment.

Voting in the affirmative, 7:

Chambers	Hartnett	Robak	Wesely	Will
Hall	Lynch			

Voting in the negative, 28:

Ashford	Byars	Hefner	Lamb	Schellpeper
Baack	Coordsen	Hillman	Landis	Schrock
Bernard-	Crosby	Johnson, L.	Morrissey	Warner
Stevens	Dierks	Johnson, R.	Nelson	Wehrbein
Beyer	Elmer	Kristensen	Peterson	Wickersham
Bohlke	Haberman	Labeledz	Pirsch	

Present and not voting, 10:

Abboud	Cudaback	Lindsay	Rogers	Schmit
Beutler	Horgan	Robinson	Schimek	Withem

Excused and not voting, 4:

Chizek Conway Moore Rasmussen

The Chambers amendment lost with 7 ayes, 28 nays, 10 present and not voting, and 4 excused and not voting.

Messrs. Wesely, L. Johnson, and Schmit asked unanimous consent to be excused. No objections. So ordered.

Mr. Will moved the previous question. The question is, "Shall the debate now close?" The motion lost with 19 ayes, 13 nays, and 17 not voting.

Mrs. Labeledz asked unanimous consent to be excused. No objections. So ordered.

Pending.

UNANIMOUS CONSENT - Print in Journal

Mr. Warner asked unanimous consent to print the following amendment to LB 2 in the Journal. No objections. So ordered.

AM024S

- 1 1. On page 2, line 2, strike "\$26,800" and
- 2 insert "\$36,160"; in line 6 strike "\$12,500" and insert
- 3 "\$17,212"; and in line 11 strike "\$3,000" and insert
- 4 "\$5,000".

STANDING COMMITTEE REPORT **Revenue**

LEGISLATIVE BILL 6. Placed on General File.

(Signed) Tim Hall, Chairperson

VISITORS

Visitors to the Chamber were Senator John Schneider, Senator Sidney Johnson, and Mary Ests from Missouri; and Congressman William E. Barrett.

ADJOURNMENT

At 5:30 p.m., on a motion by Mr. Schellpeper, the Legislature adjourned until 9:00 a.m., Tuesday, July 16, 1991.

Patrick J. O'Donnell
Clerk of the Legislature

SEVENTH DAY - JULY 16, 1991

LEGISLATIVE JOURNAL

SEVENTH DAY - JULY 16, 1991

LEGISLATIVE JOURNAL

**NINETY-SECOND LEGISLATURE
FIRST SPECIAL SESSION**

SEVENTH DAY

Legislative Chamber, Lincoln, Nebraska
Tuesday, July 16, 1991

Pursuant to adjournment, the Legislature met at 9:01 a.m., Speaker Baack presiding.

PRAYER

The prayer was offered by Senator Pirsch.

ROLL CALL

The roll was called and all members were present except Messrs. Chizek and Horgan who were excused; and Messrs. Abboud, Chambers, Conway, Cudaback, R. Johnson, Lindsay, Robinson, Schellpeper, Schmit, Warner, Wehrbein, Wesely, Mmes. Labedz, Rasmussen, and Ms. Schimek who were excused until they arrive.

CORRECTIONS FOR THE JOURNAL

The Journal for the Sixth Day was approved.

MOTION - Approve Appointments

Mr. Dierks moved the adoption of the report of the Health and Human Services Committee for the following Governor appointments found in the Journal on page 81: Susan A. Thomas and Louise D. Schleich - Child Abuse Prevention Board; Jacklyn J. Smith - Director, Department on Aging; and Myrna J. Schmid and Vicki F. Powell - Foster Care Review Board.

Voting in the affirmative, 27:

Baack	Byars	Hartnett	Lynch	Pirsch
Bernard-	Coordsen	Hefner	Moore	Rogers
Stevens	Crosby	Hillman	Morrissey	Schrock
Beutler	Dierks	Johnson, L.	Nelson	Will
Beyer	Elmer	Kristensen	Peterson	Withem
Bohlke	Hall	Landis		

Voting in the negative, 0.

Present and not voting, 5:

Ashford	Haberman	Lamb	Robak	Wickersham
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Excused and not voting, 17:

Abboud	Cudaback	Lindsay	Schellpeper	Warner
Chambers	Horgan	Rasmussen	Schimek	Wehrbein
Chizek	Johnson, R.	Robinson	Schmit	Wesely
Conway	Labeledz			

These appointments were confirmed with 27 ayes, 0 nays, 5 present and not voting, and 17 excused and not voting.

SELECT FILE

LEGISLATIVE BILL 2. Mr. Moore renewed the pending Warner amendment, AM024S, found in the Journal on page 86.

The Warner amendment was adopted with 25 ayes, 0 nays, 7 present and not voting, and 17 excused and not voting.

Advanced to E & R for engrossment.

LEGISLATIVE BILL 3. Advanced to E & R for engrossment.

GENERAL FILE

LEGISLATIVE RESOLUTION 1CA. The Standing Committee amendment, AM014S, found in the Journal on page 71 and considered on page 85, was renewed.

Messrs. Beutler and Ashford offered the following amendment to the pending Standing Committee amendment:

AM032S

(Amendments to Standing Committee amendments, AM014S)

- 1 1. On page 8, line 9, strike "and"; and in
- 2 line 11 after "Legislature" insert ";
- 3 (4) Business inventory; and
- 4 (5) Feed, fertilizer, and farm inventory".

Mr. Dierks and Mrs. Robak asked unanimous consent to be excused until they return. No objections. So ordered.

Mr. Kristensen moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 25 ayes, 4 nays, and 20 not voting.

Mr. Beutler requested a record vote on the Beutler-Ashford amendment.

Voting in the affirmative, 12:

Ashford	Beutler	Hefner	Morrissey	Will
Bernard-	Crosby	Lindsay	Pirsch	Withem
Stevens	Elmer	Lynch		

Voting in the negative, 27:

Baack	Hall	Labeledz	Peterson	Schmit
Beyer	Hartnett	Lamb	Rasmussen	Schrock
Bohlke	Hillman	Landis	Robinson	Warner
Byars	Johnson, L.	Moore	Rogers	Wehrbein
Chambers	Johnson, R.	Nelson	Schimek	Wickersham
Haberman	Kristensen			

Present and not voting, 1:

Coordsen

Excused and not voting, 9:

Abboud	Conway	Dierks	Robak	Wesely
Chizek	Cudaback	Horgan	Schellpeper	

The Beutler-Ashford amendment lost with 12 ayes, 27 nays, 1 present and not voting, and 9 excused and not voting.

Messrs. Hall and Baack offered the following amendment to the pending Standing Committee amendment:

AM031S

(Amendments to AM014S)

- 1 1. On page 1, lines 5 and 14, strike "and 2"
- 2 and insert ", 2, and 2A"; and in lines 6 and 15 strike
- 3 "sections 2A and" and insert "section".
- 4 2. On page 4, line 6, after "property" insert
- 5 "and franchises"; and strike beginning with "taxable" in
- 6 line 23 through "taxation" in line 24 and insert
- 7 "classes of real estate may be taxed".
- 8 3. On page 5, line 23, after "property"
- 9 insert "and franchises".
- 10 4. On page 8, strike beginning with "and" in
- 11 line 16 through "taxation" in line 19 and insert "in
- 12 such manner as it sees fit and may exempt any such class
- 13 or classes or all tangible personal property from
- 14 taxation"; and strike beginning with "Article" in line
- 15 20 through the period in line 21 and insert " The
- 16 ~~Legislature may establish bonded and licensed warehouses~~
- 17 ~~or storage areas for goods, wares and merchandise in~~
- 18 ~~transit in the state which are intended for and which~~
- 19 ~~are shipped to final destinations outside this state~~
- 20 ~~upon leaving such warehouses or storage areas, and may~~
- 1 ~~exempt such goods, wares and merchandise from ad valorem~~
- 2 ~~taxation while in such storage areas. Taxes uniform as~~
- 3 ~~to class of property or the ownership or use thereof may~~
- 4 ~~be levied by valuation or otherwise upon classes of~~
- 5 ~~intangible property as the Legislature may determine,~~
- 6 ~~and such intangible property held in trust or otherwise~~
- 7 ~~for the purpose of funding pension, profit-sharing, or~~
- 8 ~~other employee benefit plans as defined by the~~
- 9 ~~Legislature may be declared exempt from taxation. The~~
- 10 ~~Legislature may exempt from an intangible property tax~~
- 11 ~~life insurance and life insurance annuity contracts and~~
- 12 ~~any payment connected therewith and any right to pension~~
- 13 ~~or retirement payments."~~
- 14 5. On page 9, line 7, after "property" insert
- 15 "and franchises"; strike beginning with "authorize" in
- 16 line 9 through "certain" in line 10 and insert "specify
- 17 how the Legislature may tax certain classes of"; and
- 18 strike beginning with "provide" in line 19 through
- 19 "property" in line 22 and insert "exempt any such class
- 20 or classes or all tangible personal property from

21 taxation”.

The Hall-Baack amendment was adopted with 25 ayes, 0 nays, 15 present and not voting, and 9 excused and not voting.

Mr. Landis offered the following amendment to the pending Standing Committee amendment:

AM033S

(Amendments to Standing Committee amendments, AM014S)

- 1 1. On page 5, line 18, strike “rational”.
- 2 2. On page 7, strike lines 22 and 23 and
- 3 insert “any method”.
- 4 3. On page 8, line 14, strike “rational”.
- 5 4. On page 9, strike beginning with “by” in
- 6 line 14 through “Legislature” in line 17; and in line 17
- 7 strike “rational”.

Mr. Wehrbein asked unanimous consent to be excused until he returns. No objections. So ordered.

Mr. Hall requested a division of the question on the Landis amendment to the pending Standing Committee amendment.

The Chair sustained the division of the question.

The first Landis amendment to the pending Standing Committee amendment is as follows:

FA2S

(Amendments to Standing Committee amendments, AM014S)

On page 7, strike lines 22 and 23 and insert “any method”.

On page 9, strike beginning with “by” in line 14 through “Legislature” in line 17.

Mr. Haberman asked unanimous consent to be excused until he returns. No objections. So ordered.

The first Landis amendment was adopted with 26 ayes, 0 nays, 12 present and not voting, and 11 excused and not voting.

The second Landis amendment to the pending Standing Committee amendment is as follows:

FA3S

(Amendments to Standing Committee amendments, AM014S)

On page 5, line 18, strike “rational”.

On page 8, line 14, strike "rational".

On page 9, line 17, strike "rational".

Pending.

STANDING COMMITTEE REPORT
Natural Resources

The Committee on Natural Resources desires to report favorably upon the appointments listed below. The Committee suggests the appointments be confirmed by the Legislature and suggests a record vote.

Nebraska Gasohol Committee

Toby D. Dellamano

J. Patrick Hillebrandt

Frank Johannsen

Ronald Stoddard

John D. McKenzie

VOTE: Aye: Senators Elmer, Hartnett, R. Johnson, Morrissey, and Schmit. Nay: none. Absent: Senators Beutler, Horgan, and Lamb.

(Signed) Rod Johnson, Chairperson

SELECT COMMITTEE REPORTS
Enrollment and Review

Correctly Engrossed

The following bills were correctly engrossed: 2 and 3.

(Signed) Eric Will, Chairperson

CORRECTED MESSAGE FROM THE GOVERNOR

July 16, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Educational Telecommunications Commission requiring legislative approval.

Appointee: Harold F. McClure, 3615 Sixth Av., Kearney, NE 68847, 308-236-5087.

This appointment is respectfully submitted for your consideration.

(Signed) Sincerely,
E. Benjamin Nelson
Governor

EBN:fc

MESSAGE FROM THE GOVERNOR

July 11, 1991

Madam President, Mr. Speaker
and Members of the Legislature
State Capitol Building
Lincoln, Nebraska 68509

Dear Madam President and Senators:

This is to inform the honorable members of the Legislature that I have made the following appointment to the Nebraska Commission on Law Enforcement and Criminal Justice, requiring legislative confirmation.

Appointee: Jean Lovell, 1325 16th Street, Gering, NE 69341,
(308) 436-3227.

This appointment is respectfully submitted for your consideration.

(Signed) Sincerely,
E. Benjamin Nelson
Governor

EBN:bh

MOTION - Recess

Mr. Hall moved to recess until 1:30 p.m. The motion lost with 11 ayes, 18 nays, 10 present and not voting, and 10 excused and not voting.

GENERAL FILE

LEGISLATIVE RESOLUTION 1CA. The second pending Landis amendment, FA3S, found in this day's Journal, to the pending Standing Committee amendment, was renewed.

Mr. R. Johnson asked unanimous consent to be excused until he returns. No objections. So ordered.

MR. WARNER PRESIDING

Messrs. Moore and Lamb asked unanimous consent to be excused until they return. No objections. So ordered.

SPEAKER BAACK PRESIDING

Messrs. Coordsen, Schrock, and Schmit asked unanimous consent to be excused until they return. No objections. So ordered.

Mr. Peterson moved the previous question. The question is, "Shall the debate now close?" The motion lost with 18 ayes, 9 nays, and 22 not voting.

The second Landis amendment was adopted with 22 ayes, 8 nays, 5 present and not voting, and 14 excused and not voting.

Pending.

RECESS

At 12:47 p.m., on a motion by Mrs. Pirsch, the Legislature recessed until 2:00 p.m.

AFTER RECESS

The Legislature reconvened at 2:02 p.m., Speaker Baack presiding.

ROLL CALL

The roll was called and all members were present except Messrs. Chizek and Horgan who were excused; and Messrs. Landis and Schmit who were excused until they arrive.

GENERAL FILE

LEGISLATIVE RESOLUTION 1CA. Mr. Ashford offered the following amendment to the pending Standing Committee amendment:

AM036S

(Amendments to Standing Committee amendments, AM014S)

- 1 1. On page 8, after line 11, insert the
- 2 following:
- 3 "Fifty percent of the value of the following
- 4 tangible personal property shall be exempt from ad
- 5 valorem taxation:
- 6 (a) Business inventory;
- 7 (b) Feed, fertilizer, and farm inventory; and
- 8 (c) Grain, seed, livestock, poultry, fish,
- 9 honeybees, and fur-bearing animals."

Mr. Kristensen asked unanimous consent to be excused until he returns. No objections. So ordered.

Mr. Rogers moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 25 ayes, 0 nays, and 24 not voting.

Mrs. Bohlke asked unanimous consent to be excused until she returns. No objections. So ordered.

MR. WARNER PRESIDING

The Ashford amendment lost with 4 ayes, 20 nays, 19 present and not voting, and 6 excused and not voting.

The Standing Committee amendment, as amended, was adopted with 26 ayes, 0 nays, 17 present and not voting, and 6 excused and not voting.

Mr. Hall moved for a call of the house. The motion prevailed with 19 ayes, 0 nays, and 30 not voting.

Advanced to E & R for review with 29 ayes, 16 nays, and 4 excused and not voting.

The Chair declared the call raised.

SPEAKER BAACK PRESIDING

MOTION - Committee Chairperson

The nominations for Chairperson of the General Affairs Committee, found in the Journal on page 60, were renewed.

The Chair appointed Messrs. L. Johnson, Hefner, and Lamb as tellers.

Schellpeper	24
Bernard-Stevens	<u>22</u>
	46

The Chair announced that a fifth ballot would be cast between Mr. Schellpeper and Mr. Bernard-Stevens.

The Chair appointed Mmes. Rasmussen, Hillman, and Mr. Schrock as tellers.

Schellpeper	26
Bernard-Stevens	<u>19</u>
	45

Mr. Schellpeper was duly elected Chairperson of General Affairs Committee.

GENERAL FILE

LEGISLATIVE BILL 6. Title read. Considered.

Mr. Hall offered the following amendment:
(Amendment on file in the Clerk's Office - Room 2018 - AM020S.)

Mr. Coordsen asked unanimous consent to be excused until he returns. No objections. So ordered.

MR. WARNER PRESIDING

Messrs. Abboud, Haberman, and Mrs. Labedz asked unanimous consent to be excused. No objections. So ordered.

Messrs. Baack, Moore, Kristensen, and Lindsay asked unanimous consent to be excused until they return. No objections. So ordered.

Mr. Hall moved for a call of the house. The motion prevailed with 18 ayes, 0 nays, and 31 not voting.

Mr. Hall requested a roll call vote on his amendment.

Voting in the affirmative, 17:

Bernard-	Chambers	Hartnett	Pirsch	Wesely
Stevens	Crosby	Landis	Schimek	Will
Beutler	Cudaback	Lynch	Warner	Withem
Beyer	Hall	Morrissey		

Voting in the negative, 18:

Ashford	Elmer	Lamb	Rogers	Schrock
Bohlke	Hefner	Nelson	Schellpeper	Wehrbein
Byars	Johnson, L.	Robak	Schmit	Wickersham
Conway	Johnson, R.	Robinson		

Present and not voting, 4:

Dierks	Hillman	Peterson	Rasmussen
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Excused and not voting, 10:

Abboud	Chizek	Haberman	Kristensen	Lindsay
Baack	Coordsen	Horgan	Labedz	Moore

The Hall amendment lost with 17 ayes, 18 nays, 4 present and not voting, and 10 excused and not voting.

Pending.

REPORT OF COMMITTEE ON COMMITTEES

Mr. Morrissey, Chairperson of Committee on Committees, offered the following report:

It is recommended that Mrs. Bohlke be assigned to: Business and Labor, Urban Affairs, and Government, Military and Veterans Affairs.

UNANIMOUS CONSENT - Print in Journal

Mr. Hall asked unanimous consent to print the following amendment to LB 6 in the Journal. No objections. So ordered.

AM029S

- 1 1. Insert the following new section:
- 2 "Sec. 18. That section 77-1232, Reissue
- 3 Revised Statutes of Nebraska, 1943, be amended to read
- 4 as follows:
- 5 77-1232. ~~If any~~ Any person ~~shall make who~~
- 6 makes a false or fraudulent list, schedule, or statement
- 7 required by law, ~~or shall willfully fail or refuse~~ fails
- 8 or refuses to deliver to the assessor a list of the
- 9 taxable property which by law is required to be listed,
- 10 or ~~shall temporarily convert~~ converts any part of such
- 11 property into property not taxable, for the fraudulent
- 12 purpose of preventing such property from being listed
- 13 and of evading the payment of taxes thereon, or ~~shall~~
- 14 ~~transfer or transmit~~ transfers or transmits any property
- 15 to any person with such intent, ~~he~~ shall be guilty of a
- 16 Class IV misdemeanor for any such offense committed for
- 17 any tax year prior to tax year 1992 and a Class II
- 18 misdemeanor for any such offense committed for tax year
- 19 1992 or thereafter."
- 20 2. On page 56, line 16, after the second
- 21 comma insert "77-1232,".
- 1 3. Renumber the remaining sections and
- 2 correct internal references accordingly.

RESOLUTION

LEGISLATIVE RESOLUTION 10. Introduced by Wehrbein, 2; Withem, 14; Morrissey, 1; Beyer, 3; Robinson, 16; R. Johnson, 34; Crosby, 29; Rogers, 41; Cudaback, 36; Bernard-Stevens, 42; Dierks, 40; Abboud, 12; Schellpeper, 18; Robak, 22; Peterson, 21; Hefner, 19; Elmer, 38; Labedz, 5; Wickersham, 49; Warner, 25; Lamb, 43; Conway, 17; Moore, 24; Byars, 30; Schrock, 39; Hartnett, 45; L. Johnson, 15; Baack, 47; Kristensen, 37; Lynch, 13; Hillman, 48.

WHEREAS, agriculture is a vital industry in the Nebraska economy and corn is the major commodity produced; and

WHEREAS, it is essential to promote the processing, marketing, and distribution of Nebraska's agricultural products; and

WHEREAS, alternative local outlets for the expanded use of Nebraska-produced corn will result in additional jobs and taxable income within Nebraska; and

WHEREAS, Cargill, Inc. has expressed an interest in building a state-of-the-art corn wet milling plant capable of separating the components of the corn kernel into new products such as starch, sweeteners, plastics, oil, gluten, gluten meal, and alcohol; and

WHEREAS, this corn wet milling plant would be located near Nebraska City in Otoe County, would require a two-hundred-fifty-million-dollar initial investment and a commitment of at least one hundred sixty full-time jobs and three hundred to eight hundred on-site construction jobs; and

WHEREAS, with the construction of a corn wet milling plant, a stable and reliable new market would be created for sixty to one hundred twenty million bushels of corn each year, making Nebraska corn producers less dependent upon national and foreign markets; and

WHEREAS, Nebraska has a vested interest in providing assistance to establish this new and innovative process which can make Nebraska a corn processing leader in the nation and the world.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NINETY-SECOND LEGISLATURE OF NEBRASKA, FIRST SPECIAL SESSION:

1. That the Legislature supports Cargill, Inc.'s plans for building a corn wet milling plant near Nebraska City in Otoe County.

2. That since legislation cannot be timely addressed during the Ninety-second Legislature of Nebraska, First Special Session, the Legislature will take the necessary action during the Ninety-second Legislature of Nebraska, Second Session.

3. That the Legislature supports using producer credits for corn wet milling plants processing in excess of thirty million bushels of corn per year to assist in developing a corn wet milling industry in Nebraska.

4. That the Legislature supports extending producer credits for corn wet milling plants processing in excess of thirty million bushels of corn per year to the year 2000 in order to place the corn wet milling industry on a solid foundation, to provide a sound, dependable, and innovative market for Nebraska-produced corn, and to develop the corn wet milling industry into a good corporate citizen of Nebraska.

5. That a copy of this resolution be sent to the Honorable Larry Rawlings, Mayor of Nebraska City; John Hodges, Chairman of the Otoe County Board of County Commissioners; Nancy Hoch, President of the River Country Industrial Development Corporation; Rod Gangwish, President of the Nebraska Corn Growers; and Ernie Micek, President of Corn Milling, Cargill, Inc., of Minnesota.

Laid over.

ADJOURNMENT

At 4:48 p.m., on a motion by Mr. Hall, the Legislature adjourned until 10:00 a.m., Wednesday, July 17, 1991.

Patrick J. O'Donnell
Clerk of the Legislature

EIGHTH DAY - JULY 17, 1991

LEGISLATIVE JOURNAL

EIGHTH DAY - JULY 17, 1991
LEGISLATIVE JOURNAL
NINETY-SECOND LEGISLATURE
FIRST SPECIAL SESSION

EIGHTH DAY

Legislative Chamber, Lincoln, Nebraska
Wednesday, July 17, 1991

Pursuant to adjournment, the Legislature met at 10:00 a.m., President Moul presiding.

PRAYER

The prayer was offered by Senator Scott Moore.

ROLL CALL

The roll was called and all members were present except Mr. Horgan who was excused; and Messrs. Abboud, Ashford, Chizek, Conway, Warner, Withem, and Mrs. Pirsch who were excused until they arrive.

CORRECTIONS FOR THE JOURNAL

The Journal for the Seventh Day was approved.

SELECT COMMITTEE REPORT
Enrollment and Review

LEGISLATIVE RESOLUTION 1CA. Placed on Select File as amended.

E & R amendment to LR 1CA:

AM5176

- 1 1. Strike beginning with page 1, line 1,
- 2 through page 7, line 10, and all amendments thereto and
- 3 insert the following:
- 4 "A Resolution to propose an amendment to the
- 5 Constitution of Nebraska by amending Article VIII,

6 sections 1, 2, and 2A, and by repealing Article VIII,
7 section 10.

8 NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS
9 OF THE NINETY-SECOND LEGISLATURE OF NEBRASKA, FIRST
10 SPECIAL SESSION:

11 Section 1. That at a special election on
12 September 17, 1991, there shall be submitted to the
13 electors of the State of Nebraska for approval the
14 following amendment to the Constitution of Nebraska by
15 amending Article VIII, sections 1, 2, and 2A, and by
16 repealing Article VIII, section 10, which is hereby
17 proposed by the Legislature:

18 CVIII-1 ~~The necessary revenue of the state~~
19 ~~and its governmental subdivisions shall be raised by~~
20 ~~taxation in such manner as the Legislature may direct.~~
21 ~~Taxes shall be levied by valuation uniformly and~~
22 ~~proportionately upon all tangible property and~~
23 ~~franchises, except that: (1) The Legislature may~~
24 ~~provide for a different method of taxing motor vehicles~~
1 ~~and may also establish a separate class of motor~~
2 ~~vehicles consisting of those owned and held for resale~~
3 ~~by motor vehicle dealers which shall be taxed in the~~
4 ~~manner and to the extent provided by the Legislature and~~
5 ~~may also establish a separate class for trucks,~~
6 ~~trailers, semitrailers, truck tractors, or combinations~~
7 ~~thereof, consisting of those owned by residents and~~
8 ~~nonresidents of this state, and operating in interstate~~
9 ~~commerce, and may provide reciprocal and proportionate~~
10 ~~taxation of such vehicles; PROVIDED, that such tax~~
11 ~~proceeds from motor vehicles taxed in each county shall~~
12 ~~be allocated to the state, counties, townships, cities,~~
13 ~~villages, and school districts of such county in the~~
14 ~~same proportion that the levy of each bears to the total~~
15 ~~levy of the county on personal tangible property; and~~
16 ~~(2) the Legislature may provide that agricultural land~~
17 ~~and horticultural land, as defined by the Legislature,~~
18 ~~shall constitute a separate and distinct class of~~
19 ~~property for purposes of taxation and may provide for a~~
20 ~~different method of taxing agricultural land and~~
21 ~~horticultural land which results in values that are not~~
22 ~~uniform and proportionate with all other tangible~~
23 ~~property and franchises but which results in values that~~

3 are uniform and proportionate upon all property within
4 the class of agricultural land and horticultural land.
5 The Legislature may enact laws to provide that the value
6 of land actively devoted to agricultural or
7 horticultural use shall for property tax purposes be
8 that value which such land has for agricultural or
9 horticultural use without regard to any value which such
10 land might have for other purposes or uses and may
11 prescribe standards and methods for the determination of
12 the value of real or other tangible property at uniform
13 and proportionate values. Taxes uniform as to class of
14 property or the ownership or use thereof may be levied
15 by valuation or otherwise upon classes of intangible
16 property as the Legislature may determine, and such
17 intangible property held in trust or otherwise for the
18 purpose of funding pension, profit sharing, or other
19 employee benefit plans as defined by the Legislature may
20 be declared exempt from taxation. Taxes other than
21 property taxes may be authorized by law. Existing
22 revenue laws shall continue in effect until changed by
23 the Legislature. The Legislature may provide that
24 livestock shall constitute a separate and distinct class
1 of property for purposes of taxation and may further
2 provide for reciprocal and proportionate taxation of
3 livestock located in this state for only part of a year.
4 The necessary revenue of the state and its governmental
5 subdivisions shall be raised by taxation in such manner
6 as the Legislature may direct. Taxes shall be levied on
7 real property and franchises by valuation uniformly and
8 proportionately except that:

9 (1) The following real property shall be
10 exempt from ad valorem taxation:

11 (a) The property of the state and its
12 governmental subdivisions;

13 (b) Property owned by and used exclusively for
14 agricultural and horticultural societies and property
15 used exclusively for educational, religious, charitable,
16 or cemetery purposes when such property is not owned or
17 used for financial gain or profit to either the owner or
18 the user; and

19 (c) The value of a home substantially
20 contributed by the United States Department of Veterans
21 Affairs for a paraplegic veteran or multiple amputee
22 during the life of such veteran or until the death or

23 remarriage of his or her surviving spouse; and

24 (2) The following classes of real property may
1 be taxed as follows:

2 (a) The Legislature may provide that
3 agricultural and horticultural land as defined by the
4 Legislature shall constitute a separate and distinct
5 class of property for purposes of taxation and may
6 provide for a different method of taxing such land which
7 results in values that are not uniform and proportionate
8 with respect to all other real property but which
9 results in values that are uniform and proportionate
10 with respect to all property within the class;

11 (b) The Legislature may provide that the value
12 of land actively devoted to agricultural or
13 horticultural use shall for property tax purposes be
14 that value which the land has for agricultural or
15 horticultural use without regard to any value which the
16 land might have for other purposes; and

17 (c) The Legislature may provide that a portion
18 of the value of any residence actually occupied as a
19 homestead by any classification of owners as determined
20 by the Legislature shall be exempt from taxation.

21 The Legislature may prescribe standards and
22 methods for the determination of the value of real
23 property and franchises at uniform and proportionate
24 values. The provisions in this section shall have no
1 application to the taxation of tangible or intangible
2 personal property. Taxes other than property taxes may
3 be authorized by law. Existing revenue laws shall
4 continue in effect until changed by the Legislature.

5 ~~CVIII-2 'The property of the state and its~~
6 ~~governmental subdivisions shall be exempt from taxation.~~
7 ~~The Legislature by general law may exempt property owned~~
8 ~~by and used exclusively for agricultural and~~
9 ~~horticultural societies, and property owned and used~~
10 ~~exclusively for educational, religious, charitable, or~~
11 ~~cemetery purposes, when such property is not owned or~~
12 ~~used for financial gain or profit to either the owner or~~
13 ~~user. Household goods and personal effects, as defined~~
14 ~~by law, may be exempted from taxation in whole or in~~
15 ~~part, as may be provided by general law, and the~~
16 ~~Legislature may prescribe a formula for the~~
17 ~~determination of value of household goods and personal~~
18 ~~effects. The Legislature by general law may provide~~

that the increased value of land by reason of shade or ornamental trees planted along the highway shall not be taken into account in the assessment of such land. The Legislature by general law and upon any terms, conditions, and restrictions it prescribes, may provide that the increased value of real property resulting from improvements designed primarily for energy conservation may be exempt from taxation. The value of a home substantially contributed by the Veterans' Administration of the United States for a paraplegic veteran or multiple amputee shall be exempt from taxation during the life of such veteran or until the death of his widow or her remarriage. The Legislature may exempt from an intangible property tax life insurance and life insurance annuity contracts and any payment connected therewith and any right to pension or retirement payments. The Legislature may classify personal property in such manner as it sees fit, and may exempt any of such classes, or may exempt all personal property from taxation. No property shall be exempt from taxation except as provided in the Constitution. The Legislature may by general law provide that a portion of the value of any residence actually occupied as a homestead by any classification of owners as determined by the Legislature shall be exempt from taxation. The Legislature may provide for the taxation of tangible personal property in whole or in part by any method.

The following tangible personal property shall be exempt from ad valorem taxation:

(1) The property of the state and its governmental subdivisions;

(2) Property owned by and used exclusively for agricultural and horticultural societies and property used exclusively for educational, religious, charitable, or cemetery purposes when such property is not owned or used for financial gain or profit to either the owner or the user; and

(3) Household goods and personal effects, as defined by the Legislature.

Notwithstanding Article III, section 18, of this Constitution or any other provision of this Constitution, the Legislature may make classifications within the class of tangible personal property in such

15 manner as it sees fit and may exempt any such class or
16 classes or all tangible personal property from
17 taxation.'

18 CVIII-2A 'The Legislature may establish bonded
19 ~~and licensed warehouses or storage areas for goods,~~
20 ~~wares and merchandise in transit in the state which are~~
21 ~~intended for and which are shipped to final destinations~~
22 ~~outside this state upon leaving such warehouses or~~
23 ~~storage areas, and may exempt such goods, wares and~~
24 ~~merchandise from ad valorem taxation while in such~~
1 ~~storage areas. Taxes uniform as to class of property or~~
2 ~~the ownership or use thereof may be levied by valuation~~
3 ~~or otherwise upon classes of intangible property as the~~
4 ~~Legislature may determine, and such intangible property~~
5 ~~held in trust or otherwise for the purpose of funding~~
6 ~~pension, profit-sharing, or other employee benefit plans~~
7 ~~as defined by the Legislature may be declared exempt~~
8 ~~from taxation. The Legislature may exempt from an~~
9 ~~intangible property tax life insurance and life~~
10 ~~insurance annuity contracts and any payment connected~~
11 ~~therewith and any right to pension or retirement~~
12 ~~payments.'~~

13 CVIII-10 'Article VIII, section 10, of the
14 Constitution of Nebraska is repealed.'

15 Sec. 2. That the proposed amendment shall be
16 submitted to the electors in the manner prescribed by
17 the Constitution of Nebraska, Article XVI, section 1.
18 The proposition for the submission of the proposed
19 amendment shall be placed upon the ballot in the
20 following form:

21 'A constitutional amendment to provide that
22 taxes shall be levied on real property and
23 franchises by valuation uniformly and
24 proportionately; to exempt specified real
1 property and tangible personal property from
2 ad valorem taxation; to provide how the
3 Legislature may tax certain classes of real
4 property; to provide that existing revenue
5 laws shall continue in effect until changed by
6 the Legislature; to authorize the Legislature
7 to provide for the taxation of tangible
8 personal property in whole or in part by any
9 method, to make classifications of tangible
10 personal property, and to exempt any such

11 class or classes or all tangible personal
 12 property from taxation; to restate provisions
 13 relating to taxation of intangible property;
 14 and to eliminate specific provisions relating
 15 to taxation of real and personal property and
 16 provisions relating to bonded and licensed
 17 warehouses or storage areas.

18 For

19 Against'.

20 Sec. 3. That the proposed amendment, if
 21 adopted, shall be in force and take effect immediately
 22 upon the completion of the canvass of the votes, at
 23 which time it shall be the duty of the Governor to
 24 proclaim it as a part of the Constitution of Nebraska."

(Signed) Eric Will, Chairperson

RESOLUTION

LEGISLATIVE RESOLUTION 10. Read. Considered.

Mr. Chambers offered the following amendment:

FA4S

Amend 2nd Resolve

In third line, strike "take the" and insert "consider"

Mr. Chambers withdrew his pending amendment.

Mr. Wesely offered the following amendment:

FA5S

In paragraph 4, line 1 after "supports extending producer credits"
 insert "to be funded by a corn check-off".

Mr. Wesely withdrew his pending amendment.

Mr. Chambers requested a record vote on the adoption of LR 10.

Voting in the affirmative, 29:

Bernard-	Byars	Hartnett	Labeledz	Rasmussen
Stevens	Coordsen	Hefner	Lamb	Robinson
Beutler	Crosby	Johnson, L.	Lindsay	Rogers
Beyer	Elmer	Johnson, R.	Morrissey	Schellpeper
Bohlke	Hall	Kristensen	Nelson	Schrock

Warner Wehrbein Wickersham Will Withem

Voting in the negative, 0.

Present and not voting, 14:

Baack	Dierks	Landis	Peterson	Schmit
Chambers	Haberman	Lynch	Robak	Wesely
Cudaback	Hillman	Moore	Schimek	

Excused and not voting, 6:

Abboud	Chizek	Conway	Horgan	Pirsch
Ashford				

LR 10 was adopted with 29 ayes, 0 nays, 14 present and not voting, and 6 excused and not voting.

VISITOR

Visitor to the Chamber was Maylon Kennel from Shickley.

RECESS

At 11:37 a.m., on a motion by Mr. Bernard-Stevens, the Legislature recessed until 1:30 p.m.

AFTER RECESS

The Legislature reconvened at 1:30 p.m., President Moul presiding.

ROLL CALL

The roll was called and all members were present except Mrs. Labeledz and Mr. Withem who were excused; and Messrs. Abboud, Ashford, Chizek, Conway, Dierks, Horgan, Landis, Rogers, Schrock, Warner, Mmes. Hillman, Nelson, Pirsch, and Robak who were excused until they arrive.

MOTION - Approve Appointments

Mr. R. Johnson moved the adoption of the report of the Natural Resources Committee for the following Governor appointments found in the Journal on page 93: Toby D. Dellamano, J. Patrick

Hillebrandt, Frank Johannsen, Ronald Stoddard, and John D. McKenzie - Nebraska Gasohol Committee.

Voting in the affirmative, 27:

Bernard-	Coordsen	Hartnett	Moore	Schimek
Stevens	Crosby	Hefner	Morrissey	Schmit
Beutler	Cudaback	Johnson, L.	Peterson	Wehrbein
Beyer	Elmer	Johnson, R.	Rasmussen	Wesely
Bohlke	Haberman	Kristensen	Schellpeper	Will
Byars	Hall	Lamb		

Voting in the negative, 0.

Present and not voting, 6:

Baack	Lindsay	Lynch	Robinson	Wickersham
Chambers				

Excused and not voting, 16:

Abboud	Dierks	Labeledz	Pirsch	Schrock
Ashford	Hillman	Landis	Robak	Warner
Chizek	Horgan	Nelson	Rogers	Withem
Conway				

These appointments were confirmed with 27 ayes, 0 nays, 6 present and not voting, and 16 excused and not voting.

REPORT OF COMMITTEE ON COMMITTEES

Mr. Morrissey renewed his pending Committee on Committees Report, found in the Journal on page 98.

The Committee on Committees Report was adopted with 25 ayes, 0 nays, 9 present and not voting, and 15 excused and not voting.

GENERAL FILE

LEGISLATIVE BILL 6. Mr. Moore offered the following Baack motion to reconsider the Hall amendment, AM020S, found in the Journal on page 97.

Mrs. Robak moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 25 ayes, 3 nays, and 21 not voting.

The Baack motion to reconsider prevailed with 29 ayes, 1 nay, 14 present and not voting, and 5 excused and not voting.

The Hall reconsidered amendment, AM020S, on file and referred to on page 97, was renewed.

Mrs. Robak moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 26 ayes, 2 nays, and 21 not voting.

Mr. Lamb requested a record vote on the reconsidered Hall amendment.

Voting in the affirmative, 28:

Abboud	Conway	Hillman	Morrissey	Warner
Baack	Crosby	Kristensen	Nelson	Wehrbein
Bernard-	Cudaback	Landis	Rasmussen	Wesely
Stevens	Elmer	Lindsay	Robinson	Wickersham
Bohlke	Hall	Lynch	Rogers	Will
Byars	Hartnett	Moore	Schimek	

Voting in the negative, 11:

Beyer	Haberman	Lamb	Robak	Schmit
Coordsen	Johnson, L.	Peterson	Schellpeper	Schrock
Dierks				

Present and not voting, 5:

Beutler	Chambers	Hefner	Johnson, R.	Pirsch
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Excused and not voting, 5:

Ashford	Chizek	Horgan	Labeledz	Withem
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The Hall amendment was adopted with 28 ayes, 11 nays, 5 present and not voting, and 5 excused and not voting.

Mr. Hall renewed his pending amendment, AM029S, found in the Journal on page 99.

MR. MORRISSEY PRESIDING

Mr. Beyer asked unanimous consent to be excused. No objections. So ordered.

PRESIDENT MOUL PRESIDING

The Hall amendment was adopted with 25 ayes, 2 nays, 16 present and not voting, and 6 excused and not voting.

Messrs. Schmit, Rogers, Wehrbein, Elmer, and Lamb offered the following amendment:

AM038S

- 1 1. Strike the original sections and all
- 2 amendments thereto and insert the following new
- 3 sections:
- 4 "Section 1. That section 77-202, Reissue
- 5 Revised Statutes of Nebraska, 1943, as amended by
- 6 section 7, Legislative Bill 829, Ninety-second
- 7 Legislature, First Session, 1991, be amended to read as
- 8 follows:
- 9 77-202. (1) The following property shall be
- 10 exempt from property taxes:
- 11 (a) Property of the state and its governmental
- 12 subdivisions;
- 13 (b) Property owned by and used exclusively for
- 14 agricultural and horticultural societies;
- 15 (c) Property owned by educational, religious,
- 16 charitable, or cemetery organizations and used
- 17 exclusively for educational, religious, charitable, or
- 18 cemetery purposes, when such property is not (i) owned
- 19 or used for financial gain or profit to either the owner
- 20 or user, (ii) used for the sale of alcoholic liquors for
- 21 more than twenty hours per week, or (iii) owned or used
- 1 by an organization which discriminates in membership or
- 2 employment based on race, color, or national origin.
- 3 For purposes of this subdivision, educational
- 4 organization shall mean an institution operated
- 5 exclusively for the purpose of offering regular courses
- 6 with systematic instruction in academic, vocational, or
- 7 technical subjects or a museum or historical society

8 operated exclusively for the benefit and education of
9 the public. For purposes of this subdivision,
10 charitable organization shall mean an organization
11 operated exclusively for the purpose of the mental,
12 social, or physical benefit of the public or an
13 indefinite number of persons; and

14 (d) Household goods and personal effects not
15 owned or used for financial gain or profit to either the
16 owner or user.

17 (2) The increased value of land by reason of
18 shade and ornamental trees planted along the highway
19 shall not be taken into account in the valuation of
20 land.

21 (3) The premiums received by any insurance
22 company authorized to do business in this state on all
23 annuity contracts and pension, profit-sharing, and other
24 employee benefit plans which are described in section
1 818(a) of the Internal Revenue Code of 1986, as amended,
2 shall be exempt from taxes.

3 (4) Life insurance, life insurance annuity
4 contracts, any payment connected therewith, and any
5 right to pension or retirement payments shall be exempt
6 from the intangible tax.

7 (5) Vehicles registered pursuant to section
8 60-305.09 and for which the registration fees prescribed
9 in such section have been paid shall be exempt from
10 payment of ad valorem taxes.

11 (6) Agricultural income-producing machinery
12 and equipment shall be exempt from the personal property
13 tax except: (a) Motor vehicles as defined in section
14 60-301; (b) property assessed by the Tax Commissioner as
15 provided in sections 77-601 to 77-623; (c) property
16 owned by parties deemed public service entities subject
17 to sections 77-801 to 77-803; and (d) any building or
18 fixture, whether permanently attached to the land or
19 not.

20 (7) Business inventory shall be exempt from
21 the personal property tax.

22 (8) Feed, fertilizer, and farm inventory shall
23 be exempt from the personal property tax.

24 (9) Grain, seed, livestock, poultry, fish,
1 honeybees, and fur-bearing animals shall be exempt from
2 the personal property tax.

3 (10) Any personal property exempt pursuant to

4 subsection (2) of section 77-4105 shall be exempt from
5 the personal property tax.

6 (11) Railroad rolling stock shall be exempt
7 from the personal property tax. For purposes of this
8 subsection, railroad rolling stock shall mean
9 locomotives, freight cars, and other flanged-wheel
10 equipment operated solely on rails and owned, leased, or
11 used for or in railroad transportation.

12 (12) ~~For tax year 1991~~ Commencing January 1,
13 1991, and terminating June 30, 1992, all personal
14 property as defined in section 77-104 other than motor
15 vehicles which are required to be registered under
16 sections 60-301 to 60-347 and which are not exempt
17 pursuant to this section shall be exempt from property
18 taxation.

19 Sec. 2. That original section 77-202, Reissue
20 Revised Statutes of Nebraska, 1943, as amended by
21 section 7, Legislative Bill 829, Ninety-second
22 Legislature, First Session, 1991, is repealed.”.

Mr. Landis asked unanimous consent to be excused until he returns.
No objections. So ordered.

Mr. Schmit moved for a call of the house. The motion prevailed with
22 ayes, 0 nays, and 27 not voting.

Mr. Schmit requested a roll call vote on the Schmit et al. amendment.

Voting in the affirmative, 19:

Bohlke	Dierks	Johnson, L.	Robinson	Schrock
Byars	Elmer	Lamb	Rogers	Wehrbein
Coordsen	Haberman	Nelson	Schellpeper	Wickersham
Cudaback	Hefner	Peterson	Schmit	

Voting in the negative, 20:

Abboud	Beutler	Hartnett	Moore	Schimek
Ashford	Chambers	Hillman	Morrissey	Warner
Baack	Conway	Kristensen	Pirsch	Wesely
Bernard-	Hall	Lindsay	Rasmussen	Will
Stevens				

Present and not voting, 4:

Crosby Johnson, R. Lynch Robak

Excused and not voting, 6:

Beyer Horgan Labedz Landis Withem
Chizek

The Schmit et al. amendment lost with 19 ayes, 20 nays, 4 present and not voting, and 6 excused and not voting.

Pending.

The Chair declared the call raised.

COMMUNICATION

Acknowledge receipt of a Resolution of Appreciation from the Midwestern Legislative Conference of the Council of State Governments expressing their appreciation to the Nebraska Legislature for hosting the 1991 conference.

REPORT OF COMMITTEE ON COMMITTEES

Mr. Morrissey, Chairperson of Committee on Committees, offered the following report:

It is recommended that Mr. Schmit replaces Mr. Schellpeper on the Nebraska Retirement Systems Committee.

REFERENCE COMMITTEE REPORT

The Legislative Council Executive Board submits the attached report on the referral of Governor appointments.

Education

Harold F. McClure - Nebraska Educational Telecommunications Commission

Government, Military and Veterans Affairs

Jean Lovell - Nebraska Commission on Law Enforcement and Criminal Justice

(Signed) Jerome Warner, Chairperson

Legislative Council
Executive Board

GENERAL FILE

LEGISLATIVE BILL 6. Mr. Schmit offered the following amendment:

AM060S

- 1 1. Insert the following new section:
- 2 "Sec. 31. All works of art whether or not
- 3 held for sale shall be subject to ad valorem taxes on
- 4 personal property and shall not be considered household
- 5 goods.".
- 6 2. Renumber the remaining sections and
- 7 correct internal references accordingly.

Mr. R. Johnson asked unanimous consent to be excused until he returns. No objections. So ordered.

Mr. Lynch asked unanimous consent to be excused. No objections. So ordered.

Mr. Schmit requested a record vote on his amendment.

Voting in the affirmative, 3:

Haberman Hefner Schmit

Voting in the negative, 9:

Baack	Bohlke	Hillman	Rasmussen	Will
Beutler	Crosby	Kristensen	Warner	

Present and not voting, 29:

Abboud	Conway	Hartnett	Nelson	Schellpeper
Ashford	Coordsen	Johnson, L.	Peterson	Schimek
Bernard-	Cudaback	Lamb	Pirsch	Schrock
Stevens	Dierks	Lindsay	Robak	Wehrbein
Byars	Elmer	Moore	Robinson	Wesely
Chambers	Hall	Morrissey	Rogers	Wickersham

Excused and not voting, 8:

Beyer	Horgan	Labeledz	Lynch	Withem
Chizek	Johnson, R.	Landis		

The Schmit amendment lost with 3 ayes, 9 nays, 29 present and not voting, and 8 excused and not voting.

Messrs. Baack, Lindsay, Kristensen, Bernard-Stevens, Moore, Hartnett, and Conway offered the following amendment:

AM054S

- 1 1. In AM020S:
- 2 a. On page 34, reinstate the stricken matter
- 3 beginning with "Any" in line 13 through line 15 and
- 4 before the reinstated "Any" insert "(6)"; and
- 5 b. On page 35, line 3, strike "(6)" and
- 6 insert "(7)".
- 7 2. Strike original sections 33 and 34.
- 8 3. On page 56, line 2, strike ", 33, 34, and
- 9 41" and insert "and 39"; strike beginning with
- 10 "sections" in line 6 through line 7; and in line 11
- 11 strike "sections 77-202.46 and" and insert "section".
- 12 4. Renumber the remaining sections and
- 13 correct internal references accordingly.

Mr. Schmit asked unanimous consent to be excused until he returns. No objections. So ordered.

Mr. Hall moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 25 ayes, 2 nays, and 22 not voting.

Mr. Baack moved for a call of the house. The motion prevailed with 26 ayes, 0 nays, and 23 not voting.

Mr. Baack requested a roll call vote on the Baack et al. amendment.

Voting in the affirmative, 26:

Abboud	Conway	Hillman	Lamb	Rasmussen
Ashford	Cudaback	Horgan	Lindsay	Robak
Baack	Dierks	Johnson, L.	Moore	Rogers
Bernard-	Elmer	Johnson, R.	Nelson	Wehrbein
Stevens	Hartnett	Kristensen	Peterson	Wickersham
Byars	Hefner			

Voting in the negative, 15:

Beutler	Coordsen	Hall	Schellpeper	Warner
Bohlke	Crosby	Morrissey	Schimek	Wesely
Chambers	Haberman	Robinson	Schrock	Will

Present and not voting, 1:

Pirsch

Excused and not voting, 7:

Beyer	Labeledz	Lynch	Schmit	Withem
Chizek	Landis			

The Baack et al. amendment was adopted with 26 ayes, 15 nays, 1 present and not voting, and 7 excused and not voting.

The Chair declared the call raised.

Mr. Warner offered the following amendment:
AM040S

(Amendments to AM020S)

1 1. Insert the following new sections:

2 "Sec. 33. The Tax Commissioner shall develop
3 a manual to determine actual market value of
4 agricultural income-producing machinery and equipment by
5 age and other factors as the Tax Commissioner directs.
6 The county assessor may use the manual and the federal
7 depreciation schedule submitted by the taxpayer with his
8 or her federal tax return in determining the actual
9 market value of agricultural income-producing machinery
10 and equipment.

11 Sec. 35. The county assessor may use the
12 federal depreciation schedule submitted by the taxpayer
13 with his or her federal tax return in determining the
14 actual market value of business equipment."

15 2. On page 46, line 7, after the period
16 insert "The Tax Commissioner shall develop a manual to
17 determine actual market value of livestock for tax year
18 1991 and each year thereafter."; and in line 9 strike
19 "or species" and insert "species, or other factors as
20 determined by the Tax Commissioner".

1 3. Renumber the remaining sections and

2 correct internal references accordingly.

Messrs. Haberman and Schellpeper asked unanimous consent to be excused. No objections. So ordered.

SPEAKER BAACK PRESIDING

The Warner amendment was adopted with 29 ayes, 1 nay, 10 present and not voting, and 9 excused and not voting.

Mrs. Pirsch asked unanimous consent to be excused. No objections. So ordered.

Mr. Chambers requested a record vote on the advancement of the bill.

Voting in the affirmative, 25:

Ashford	Byars	Hartnett	Moore	Warner
Baack	Conway	Hillman	Morrissey	Wehrbein
Bernard-	Coordsen	Horgan	Rasmussen	Wesely
Stevens	Elmer	Kristensen	Rogers	Wickersham
Beutler	Hall	Lindsay	Schimek	Will
Bohlke				

Voting in the negative, 12:

Chambers	Dierks	Lamb	Peterson	Robinson
Crosby	Hefner	Nelson	Robak	Schrock
Cudaback	Johnson, L.			

Present and not voting, 2:

Abboud Johnson, R.

Excused and not voting, 10:

Beyer	Haberman	Landis	Pirsch	Schmit
Chizek	Labeledz	Lynch	Schellpeper	Withem

Advanced to E & R for review with 25 ayes, 12 nays, 2 present and not voting, and 10 excused and not voting.

NOTICE OF COMMITTEE HEARING

Government, Military and Veterans Affairs

Governor Appointment Thursday, July 18, 1991 10:00 a.m.
Jean Lovell - Director, Nebraska Crime Commission

(Signed) Gerald Conway, Chairperson

SPEAKER SIGNED

While the Legislature was in session and capable of transacting business, the Speaker signed the following resolution: LR 10.

SELECT FILE

LEGISLATIVE RESOLUTION 1CA. E & R amendment, AM5176, found in the Journal on page 102, was adopted.

Messrs. Lindsay, Baack, Bernard-Stevens, Moore, Hartnett, and Kristensen offered the following amendment:
AM055S

(Amendments to AM5176)

- 1 1. On page 8, line 17, after the period
- 2 insert "Any legislative act to classify tangible
- 3 personal property, to tax or exempt from taxation any
- 4 class or classes of or all tangible personal property,
- 5 or to change or repeal any classification of tangible
- 6 personal property shall be approved by at least
- 7 three-fifths of the members of the Legislature.".
- 8 2. On page 10, line 12, after the semicolon
- 9 insert "to require a three-fifths vote of the members of
- 10 the Legislature to classify, tax, or exempt from tax
- 11 tangible personal property or to change or repeal any
- 12 such classification;".

MR. MORRISSEY PRESIDING

SPEAKER BAACK PRESIDING

Mr. Beutler offered the following amendment to the pending Lindsay et al. amendment:
FA6S

Insert the new language after "Legislature" in line 7:

"In the event the Governor disapproves such a legislative act, two-thirds of the members elected to the Legislature agree to pass the bill, it shall become law."

Mrs. Robak and Mr. Hall asked unanimous consent to be excused until they return. No objections. So ordered.

The Beutler amendment lost with 6 ayes, 18 nays, 14 present and not voting, and 11 excused and not voting.

PRESIDENT MOUL PRESIDING

Mr. Chambers offered the following amendment to the pending Lindsay et al. amendment:

FA7S

1. On page 8, line 17, after the period insert "Any legislative act to exempt from taxation any class or classes of or all tangible personal property, shall be approved by at least three-fifths of the members of the Legislature.".

Mr. R. Johnson asked unanimous consent to be excused until he returns. No objections. So ordered.

Mr. Lamb moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 25 ayes, 1 nay, and 23 not voting.

Mr. Chambers withdrew his pending amendment.

Mr. Schmit moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 25 ayes, 0 nays, and 24 not voting.

Mr. Hall requested a record vote on the Lindsay et al. amendment.

Voting in the affirmative, 27:

Abboud	Conway	Horgan	Morrissey	Schimek
Baack	Coordsen	Johnson, R.	Nelson	Schrock
Bernard-	Crosby	Kristensen	Rasmussen	Warner
Stevens	Hartnett	Landis	Robinson	Wehrbein
Bohlke	Hefner	Lindsay	Rogers	Wickersham
Byars	Hillman	Moore		

Voting in the negative, 14:

Ashford	Cudaback	Hall	Peterson	Wesely
Beutler	Dierks	Johnson, L.	Robak	Will
Chambers	Elmer	Lamb	Schmit	

Excused and not voting, 8:

Beyer	Haberman	Lynch	Schellpeper	Withem
Chizek	Labedz	Pirsch		

The Lindsay et al. amendment was adopted with 27 ayes, 14 nays, and 8 excused and not voting.

Messrs. Hall and Wickersham offered the following amendment:
AM071S

(Amendments to AM5176)

- 1 1. On page 1, lines 6 and 15, before the last
- 2 "and" insert "by adding a new section 13 to Article
- 3 VIII."
- 4 2. On page 4, strike beginning with "The" in
- 5 line 4 through the period in line 6.
- 6 3. On page 6, strike beginning with "Taxes"
- 7 in line 2 through the period in line 4.
- 8 4. On page 9, line 14, before the last period
- 9 insert:
- 10 "CVIII-13 'The necessary revenue of the state
- 11 and its governmental subdivisions shall be raised by
- 12 taxation in such manner as the Legislature may direct.
- 13 Taxes other than property taxes may be authorized by
- 14 law. Existing revenue laws shall continue in effect
- 15 until changed by the Legislature.'"

The Hall-Wickersham amendment was adopted with 26 ayes, 0 nays, 15 present and not voting, and 8 excused and not voting.

Mr. Hefner requested a record vote on the advancement of the resolution.

Voting in the affirmative, 27:

Baack	Bohlke	Coordsen	Hartnett	Horgan
Bernard-	Byars	Cudaback	Hefner	Johnson, R.
Stevens	Conway	Dierks	Hillman	Kristensen

Landis	Morrissey	Robak	Schimek	Wehrbein
Lindsay	Nelson	Robinson	Warner	Wickersham
Moore	Rasmussen	Rogers		

Voting in the negative, 13:

Ashford	Crosby	Johnson, L.	Schmit	Wesely
Beutler	Elmer	Lamb	Schrock	Will
Chambers	Hall	Peterson		

Present and not voting, 1:

Abboud

Excused and not voting, 8:

Beyer	Haberman	Lynch	Schellpeper	Withem
Chizek	Labeledz	Pirsch		

Advanced to E & R for engrossment with 27 ayes, 13 nays, 1 present and not voting, and 8 excused and not voting.

SELECT COMMITTEE REPORT Enrollment and Review

LEGISLATIVE BILL 6. Placed on Select File as amended.
E & R amendment to LB 6:
AM5177

- 1 1. In the Baack et al. amendment, AM054S, on
- 2 page 1, line 9, strike "39" and insert "65".
- 3 2. In the Hall amendment, AM029S, on page 1,
- 4 line 7, strike the comma and reinstate the stricken
- 5 "or".
- 6 3. In the Hall amendment, AM020S:
- 7 a. On page 43, line 14, strike "sections
- 8 77-202.46 and" and insert "section";
- 9 b. On page 55, line 8, strike "44" and insert
- 10 "46"; and
- 11 c. On page 72, line 21, strike "62" and
- 12 insert "63".
- 13 4. On page 1, line 4, after the fourth comma
- 14 insert "77-205, 77-206, "; in line 5 after the first
- 15 comma insert "77-1232, 77-1342, "; strike beginning with
- 16 "77-4105" in line 5 through "77-4107" in line 6 and

17 insert "77-1613, 77-1616, 77-1716"; and in line 12 after
18 the third comma insert "section 77-1613.01, Reissue
19 Revised Statutes of Nebraska, 1943, as amended by
20 section 10, Legislative Bill 829, Ninety-second
21 Legislature, First Session, 1991, section 77-3437,
1 Reissue Revised Statutes of Nebraska, 1943, as amended
2 by section 2, Legislative Bill 9, Ninety-second
3 Legislature, First Session, 1991, section 4, Legislative
4 Bill 511, Ninety-second Legislature, First Session,
5 1991, section 27, Legislative Bill 829, Ninety-second
6 Legislature, First Session, 1991, and section 25,
7 Legislative Bill 840, Ninety-second Legislature, First
8 Session, 1991,".

9 5. On page 2, line 10, strike "provide for
10 appeals" and insert "change and provide procedures"; in
11 line 13 strike "eliminate certain business incentives"
12 and insert "provide a termination date; to change a
13 penalty"; and strike beginning with the second
14 "sections" in line 17 through "and" in line 18 and
15 insert "section".

(Signed) Eric Will, Chairperson

UNANIMOUS CONSENT - Member Excused

Mr. R. Johnson asked unanimous consent to be excused. No objections. So ordered.

SELECT FILE

LEGISLATIVE BILL 6. E & R amendment, AM5177, found in this day's Journal, was adopted.

Mr. Conway offered the following amendment:
AM063S

- 1 1. Insert the following new section:
- 2 "Sec. 58. For tax year 1991, upon the
- 3 transfer of any motor vehicle or cabin trailer which is
- 4 inventory by a motor vehicle dealer, the dealer shall be
- 5 given a credit or refund of the personal property tax
- 6 paid or payable by the dealer for the number of months
- 7 remaining in the year from the date of transfer. The
- 8 dealer may claim the credit or refund until July 30 of
- 9 the year following transfer of the motor vehicle or

10 cabin trailer. The claim shall be filed with the county
 11 assessor on a form prescribed by the Auditor of Public
 12 Accounts. The county assessor shall certify to the
 13 county treasurer the amount of the credit or refund and
 14 the taxing unit where the motor vehicle or cabin trailer
 15 was located at the time of assessment. If the dealer
 16 has paid the tax on the motor vehicle or cabin trailer,
 17 the county treasurer shall pay the refund to the dealer
 18 from the undistributed motor vehicle or cabin trailer
 19 taxes of the taxing unit where the tax money was
 20 originally distributed, but no refund of less than two
 21 dollars shall be paid. If the dealer has not yet paid
 1 all of the tax, a credit shall be given."

2 2. Renumber the remaining sections and
 3 correct internal references accordingly.

Mr. Byars moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 25 ayes, 0 nays, and 24 not voting.

The Conway amendment was adopted with 26 ayes, 0 nays, 14 present and not voting, and 9 excused and not voting.

Mr. Elmer offered the following amendment:
 AM070S

(Amendments to AM020S)

1 1. On page 35, line 5, after "1991" insert
 2 "or if a special election for an amendment amending
 3 Article VIII of the Constitution of Nebraska is not held
 4 on September 17, 1991,"; and in line 9 strike "for tax
 5 year 1991".
 6 2. On page 55, line 6, before "If" insert
 7 "(1)" and after line 10 insert the following new
 8 subsection:
 9 "(2) If a special election for an amendment
 10 amending Article VIII of the Constitution of Nebraska is
 11 not held on September 17, 1991, sections 18 to 44 of
 12 this act shall terminate.".

Mr. Ashford asked unanimous consent to be excused. No objections. So ordered.

Mr. Elmer moved for a call of the house. The motion prevailed with 17 ayes, 0 nays, and 32 not voting.

Mr. Elmer requested a roll call vote on his amendment.

Voting in the affirmative, 20:

Abboud	Dierks	Kristensen	Peterson	Schmit
Byars	Elmer	Lamb	Robak	Schrock
Coordsen	Hefner	Moore	Robinson	Wehrbein
Cudaback	Johnson, L.	Nelson	Rogers	Wickersham

Voting in the negative, 19:

Baack	Bohlke	Hall	Landis	Schimek
Bernard-	Chambers	Hartnett	Lindsay	Warner
Stevens	Conway	Hillman	Morrissey	Wesely
Beutler	Crosby	Horgan	Rasmussen	Will

Excused and not voting, 10:

Ashford	Chizek	Johnson, R.	Lynch	Schellpeper
Beyer	Haberman	Labeledz	Pirsch	Withem

The Elmer amendment lost with 20 ayes, 19 nays, and 10 excused and not voting.

The Chair declared the call raised.

Mr. Hall offered the following amendment:

AM051S

(Amendments to AM020S)

- 1 1. Insert the following new section:
- 2 "Sec. 2. That section 13-509, Reissue Revised
- 3 Statutes of Nebraska, 1943, as amended by section 1,
- 4 Legislative Bill 829, Ninety-second Legislature, First
- 5 Section, 1991, be amended to read as follows:
- 6 13-509. County assessor; certify current
- 7 valuation; when. On or before November 12 for 1991 and
- 8 on or before August 20 of each year for all other years,
- 9 the county assessor shall certify to each governing body
- 10 or board empowered to levy or certify a tax levy the
- 11 current valuation of all property subject to the
- 12 applicable levy. Current valuation shall mean that
- 13 valuation established by the county assessor and
- 14 equalized by the county board of equalization and the

15 State Board of Equalization and Assessment, ~~and for tax~~
 16 ~~year 1991 shall include the value of personal property~~
 17 ~~which was immediately prior to the operative date of~~
 18 ~~this section subject to tax for tax year 1991 but which~~
 19 ~~is exempt from tax solely because of the changes made to~~
 20 ~~section 77-202 by this legislative bill.~~

1 If a constitutional amendment amending Article
 2 VIII of the Constitution of Nebraska is adopted in 1991,
 3 the duties required to be performed on or before
 4 November 12, 1991, shall be performed on or before
 5 September 27, 1991."

6 2. Renumber remaining sections and correct
 7 internal references and the repealer accordingly.

The Hall amendment was adopted with 26 ayes, 0 nays, 13 present and not voting, and 10 excused and not voting.

Mr. Lindsay moved for a call of the house. The motion prevailed with 22 ayes, 0 nays, and 27 not voting.

Mr. Lindsay requested a roll call vote on the advancement of the bill.

Voting in the affirmative, 26:

Abboud	Byars	Horgan	Nelson	Warner
Baack	Conway	Landis	Rasmussen	Wehrbein
Bernard-	Cudaback	Lindsay	Robak	Wesely
Stevens	Hall	Moore	Rogers	Wickersham
Beutler	Hartnett	Morrissey	Schimek	Will
Bohlke	Hillman			

Voting in the negative, 10:

Chambers	Elmer	Johnson, L.	Peterson	Schmit
Coordsen	Hefner	Lamb	Robinson	Schrock

Present and not voting, 3:

Crosby	Dierks	Kristensen
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Excused and not voting, 10:

Ashford	Chizek	Johnson, R.	Lynch	Schellpeper
Beyer	Haberman	Labedz	Pirsch	Withem

Advanced to E & R for engrossment with 26 ayes, 10 nays, 3 present and not voting, and 10 excused and not voting.

The Chair declared the call raised.

EASE

The Legislature was at ease from 10:34 p.m. until 11:51 p.m.

SELECT COMMITTEE REPORTS

Enrollment and Review

Correctly Engrossed

The following resolution and bill were correctly engrossed: LR 1CA and LB 6.

(Signed) Eric Will, Chairperson

Enrollment and Review Change to LB 6

The following changes, required to be reported for publication in the Journal, have been made:

ER7123

1. Enrollment and Review changes have been made to this bill to incorporate all adopted amendments.

(Signed) Mary E. Sommermeyer
E & R Attorney

VISITORS

Visitors to the Chamber were Bob J. Mead, Representative from Kansas; and Senator L. Johnson's granddaughter, Ms. Natalie Johnson, from California.

ADJOURNMENT

At 11:52 p.m., on a motion by Mr. Conway, the Legislature adjourned until 12:01 a.m., Thursday, July 18, 1991.

Patrick J. O'Donnell
Clerk of the Legislature

NINTH DAY - JULY 18, 1991

LEGISLATIVE JOURNAL

**NINETY-SECOND LEGISLATURE
FIRST SPECIAL SESSION**

NINTH DAY

Legislative Chamber, Lincoln, Nebraska
Thursday, July 18, 1991

Pursuant to adjournment, the Legislature met at 12:01 a.m., Speaker Baack presiding.

ROLL CALL

The roll was called and all members were present except Messrs. Ashford, Beyer, Chambers, Chizek, Haberman, R. Johnson, Lynch, Schellpeper, Wesely, Withem, Mmes. Labedz, and Pirsch who were excused.

CORRECTIONS FOR THE JOURNAL

The Journal for the Eighth Day was approved.

ADJOURNMENT

At 12:03 a.m., on a motion by Mr. Hall, the Legislature adjourned until 9:00 a.m., Friday, July 19, 1991.

Patrick J. O'Donnell
Clerk of the Legislature

TENTH DAY - JULY 19, 1991

LEGISLATIVE JOURNAL

TENTH DAY - JULY 19, 1991

LEGISLATIVE JOURNAL

**NINETY-SECOND LEGISLATURE
FIRST SPECIAL SESSION**

TENTH DAY

Legislative Chamber, Lincoln, Nebraska
Friday, July 19, 1991

Pursuant to adjournment, the Legislature met at 9:01 a.m., President Moul presiding.

PRAYER

The prayer was offered by Senator George Coordsen.

ROLL CALL

The roll was called and all members were present except Mr. Withem who was excused; and Messrs. Ashford, Beutler, Conway, Hall, Hartnett, R. Johnson, Kristensen, Landis, Wehrbein, Wesely, Will, Mmes. Labedz, Robak, and Ms. Schimek who were excused until they arrive.

CORRECTIONS FOR THE JOURNAL

The Journal for the Ninth Day was approved.

REPORT OF REGISTERED LOBBYISTS

In accordance with LB 987, passed in the 1976 session of the Legislature and amended by LB 4 and LB 41 in the 1977 session of the Legislature, the attached is a list of all Lobbyists who have registered as of July 18, 1991. Further lists listing additional lobbyists who have registered will be filed weekly.

(Signed) Patrick J. O'Donnell
Clerk of the Legislature

Bunger, Joyce - Omaha (Withdrawn 91/07/08)	First Data Resources, Inc.
Cline, Williams, Wright, Johnson & Oldfather Pallesen Jr., Charles M. - Lincoln	Nebraska Medical Association Metropolitan Utilities District
Francel, Edward A. - Omaha (Deceased 91/06/29)	Broadmoor Development Company Seldin Company Slosburg Company
Johnson, Vard R. - Omaha	Omaha Area Board of Realtors Nebraska Research and Development Authority
Kozlik, Michael A. - Omaha Schwartz, Harvey - Lincoln (Withdrawn 91/07/01)	Nebraska Association of School Boards
Vickers, Tom - Lincoln	

REPORT

Received annual report for 1990 from the Department of Motor Vehicles.

REPORT OF COMMITTEE ON COMMITTEES

Mr. Morrissey, Chairperson of Committee on Committees, renewed his pending Committee on Committees Report, found in the Journal on page 115.

The Committee on Committees Report was adopted with 25 ayes, 0 nays, 9 present and not voting, and 15 excused and not voting.

BILL ON FINAL READING

The following bill was read and put upon final passage:

LEGISLATIVE BILL 2. With Emergency.

A BILL FOR AN ACT relating to appropriations; to appropriate funds for the expenses incurred during the Ninety-second Legislature. First Special Session, 1991; and to declare an emergency.

Whereupon the President stated: "All provisions of law relative to procedure having been complied with, the question is, 'Shall the bill pass with the emergency clause attached?'"

Voting in the affirmative, 39:

Abboud	Chizek	Hefner	Lynch	Robinson
Ashford	Coordsen	Hillman	Moore	Rogers
Baack	Crosby	Horgan	Morrissey	Schellpeper
Bernard-	Cudaback	Johnson, L.	Nelson	Schmit
Stevens	Dierks	Johnson, R.	Peterson	Schrock
Beyer	Elmer	Kristensen	Pirsch	Warner
Bohlke	Haberman	Lamb	Rasmussen	Wehrbein
Chambers	Hartnett	Landis	Robak	Wickersham

Voting in the negative, 1:

Byars

Present and not voting, 1:

Lindsay

Excused and not voting, 8:

Beutler	Hall	Schimek	Will	Withem
Conway	Labeledz	Wesely		

A constitutional two-thirds majority having voted in the affirmative, the bill was declared passed with the emergency clause and the title agreed to.

UNANIMOUS CONSENT - Bracket LB 3

Mr. Chambers asked unanimous consent to bracket LB 3 till after LR 1CA is read on Final Reading. No objections. So ordered.

MOTION - Return LB 6 to Select File

Mr. Chambers moved to return LB 6 to Select File for the following specific amendment:

FA8S

Strike the Baack, et al. amendment (AM054S) found at page 117 of the Journal.

Mr. Hefner moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 25 ayes, 17 nays, and 7 not voting.

Mr. Chambers requested a roll call vote on his motion to return.

Voting in the affirmative, 27:

Ashford	Dierks	Lynch	Robinson	Schrock
Bohlke	Elmer	Morrissey	Rogers	Warner
Chambers	Haberman	Nelson	Schellpeper	Wesely
Conway	Hall	Pirsch	Schimek	Wickersham
Coordsen	Johnson, R.	Robak	Schmit	Will
Cudaback	Landis			

Voting in the negative, 18:

Abboud	Chizek	Hillman	Labeledz	Moore
Baack	Crosby	Horgan	Lamb	Rasmussen
Beyer	Hartnett	Johnson, L.	Lindsay	Wehrbein
Byars	Hefner	Kristensen		

Present and not voting, 2:

Bernard-	Peterson
Stevens	

Excused and not voting, 2:

Beutler	Withem
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The Chambers motion to return prevailed with 27 ayes, 18 nays, 2 present and not voting, and 2 excused and not voting.

PRESIDENT SIGNED

While the Legislature was in session and capable of transacting business, the President signed the following bill: LB 2.

SELECT FILE

LEGISLATIVE BILL 6. The Chambers specific amendment, FA8S, found in this day's Journal, was renewed.

Mr. Wesely moved the previous question. The question is, "Shall the debate now close?" The motion lost with 19 ayes, 16 nays, and 14 not voting.

Ms. Schimek moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 25 ayes, 3 nays, and 21 not voting.

Mr. Chambers requested a roll call vote on his amendment.

Voting in the affirmative, 28:

Bohlke	Elmer	Lynch	Robinson	Schrock
Chambers	Haberman	Moore	Rogers	Warner
Conway	Hall	Morrissey	Schellpeper	Wesely
Coordsen	Johnson, R.	Nelson	Schimek	Wickersham
Cudaback	Kristensen	Pirsch	Schmit	Will
Dierks	Landis	Robak		

Voting in the negative, 17:

Abboud	Bernard-	Chizek	Hillman	Lamb
Ashford	Stevens	Crosby	Horgan	Lindsay
Baack	Beyer	Hartnett	Johnson, L.	Wehrbein
	Byars	Hefner	Labeledz	

Present and not voting, 2:

Peterson Rasmussen

Excused and not voting, 2:

Beutler Withem

The Chambers specific amendment was adopted with 28 ayes, 17 nays, 2 present and not voting, and 2 excused and not voting.

Mr. Peterson requested a machine vote on the advancement of the bill.

Mr. Will requested a roll call vote on the advancement of the bill.

Voting in the affirmative, 25:

Ashford	Chambers	Hall	Johnson, R.	Lindsay
Bernard-	Conway	Hartnett	Kristensen	Lynch
Stevens	Cudaback	Hillman	Landis	Moore

Morrissey	Robak	Schimek	Warner	Wickersham
Pirsch	Rogers	Schmit	Wesely	Will
Rasmussen				

Voting in the negative, 21:

Abboud	Coordsen	Haberman	Labeledz	Robinson
Beyer	Crosby	Hefner	Lamb	Schellpeper
Bohlke	Dierks	Horgan	Nelson	Schrock
Byars	Elmer	Johnson, L.	Peterson	Wehrbein
Chizek				

Present and not voting, 1:

Baack

Excused and not voting, 2:

Beutler Withem

Advanced to E & R for re-engrossment with 25 ayes, 21 nays, 1 present and not voting, and 2 excused and not voting.

UNANIMOUS CONSENT - Member Excused

Mr. Dierks asked unanimous consent to be excused until he returns. No objections. So ordered.

MOTION - Return LR 1CA to Select File

Messrs. Lamb and Chambers moved to return LR 1CA to Select File for the following specific amendment:
FA9S

Page 8, strike lines 9 through 14.

Messrs. Abboud, Schmit, and Wesely asked unanimous consent to be excused until they return. No objections. So ordered.

Ms. Schimek moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 26 ayes, 2 nays, and 21 not voting.

The Lamb-Chambers motion to return prevailed with 25 ayes, 14 nays, 5 present and not voting, and 5 excused and not voting.

SELECT FILE

LEGISLATIVE RESOLUTION 1CA. The Lamb-Chambers specific amendment, FA9S, found in this day's Journal, was renewed.

Mr. Dierks moved the previous question. The question is, "Shall the debate now close?" The motion lost with 21 ayes, 15 nays, and 13 not voting.

Mr. Peterson moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 26 ayes, 5 nays, and 18 not voting.

Mr. Chambers requested a record vote on the Lamb-Chambers amendment.

Voting in the affirmative, 18:

Chambers	Elmer	Lamb	Robak	Schmit
Coordsen	Haberman	Lynch	Rogers	Schrock
Cudaback	Hall	Morrissey	Schellpeper	Will
Dierks	Johnson, L.	Peterson		

Voting in the negative, 25:

Ashford	Byars	Hefner	Lindsay	Robinson
Baack	Chizek	Hillman	Moore	Schimek
Bernard-	Conway	Horgan	Nelson	Warner
Stevens	Crosby	Johnson, R.	Pirsch	Wehrbein
Beyer	Hartnett	Kristensen	Rasmussen	Wickersham
Bohlke				

Present and not voting, 2:

Labeledz	Landis
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Excused and not voting, 4:

Abboud	Beutler	Wesely	Withem
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The Lamb-Chambers amendment lost with 18 ayes, 25 nays, 2 present and not voting, and 4 excused and not voting.

Mr. Will requested a machine vote on the readvancement of the bill.

Readvanced to Final Reading with 29 ayes, 7 nays, 9 present and not voting, and 4 excused and not voting.

MOTION - Return LR 1CA to Select File

Mr. Wickersham moved to return LR 1CA to Select File for the following specific amendment:

AM073S

(Amendments to Final Reading copy)

- 1 1. On page 7, line 25, strike "and".
- 2 2. On page 8, line 2, after "Legislature"
- 3 insert "; and
- 4 (4) Inventories and animals as defined by the
- 5 Legislature".

Pending.

VISITOR

Visitor to the Chamber was Dr. Mark Horton.

MOTION - Recess

Mrs. Robak moved to recess until 1:30 p.m. The motion prevailed with 20 ayes, 14 nays, and 15 not voting, and at 12:02 p.m., the Legislature recessed until 1:30 p.m.

AFTER RECESS

The Legislature reconvened at 1:30 p.m., Speaker Baack presiding.

ROLL CALL

The roll was called and all members were present except Mr. Withem who was excused; and Messrs. Abboud, Wesely, Mmes. Nelson, Pirsch, Robak, and Ms. Schimek who were excused until they arrive.

PRESENTED TO THE GOVERNOR

Presented to the Governor on July 19, 1991, at 10:00 a.m., was the following bill: LB 2.

(Signed) Pam Moravec, Enrolling Clerk

STANDING COMMITTEE REPORT
Government, Military and Veterans Affairs

The Committee on Government, Military and Veterans Affairs desires to report favorably upon the appointment listed below. The Committee suggests the appointment be confirmed by the Legislature and suggests a record vote.

Jean Lovell - Executive Director, Nebraska Commission on Law Enforcement and Criminal Justice

VOTE: Aye: Senators Bohlke, Conway, Coordsen, Lindsay, Robak, Schimek, and Schrock. Nay: none. Not voting: Senator Withem.

(Signed) Gerald Conway, Chairperson

MOTION - Return LR 1CA to Select File

Mr. Wickersham renewed his pending motion, found in the Journal on page 137, to return LR 1CA to Select File for his specific amendment, AM073S.

Mr. Lynch asked unanimous consent to be excused. No objections. So ordered.

Mr. Haberman moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 25 ayes, 0 nays, and 24 not voting.

Mr. Wickersham requested a roll call vote on his motion to return.

Voting in the affirmative, 24:

Beyer	Cudaback	Johnson, R.	Nelson	Schellpeper
Byars	Dierks	Kristensen	Peterson	Schrock
Conway	Elmer	Labeledz	Pirsch	Wehrbein
Coordsen	Hefner	Lamb	Robinson	Wickersham
Crosby	Johnson, L.	Morrissey	Rogers	

Voting in the negative, 16:

Ashford Baack

Bernard-	Bohlke	Hartnett	Landis	Rasmussen
Stevens	Chambers	Hillman	Lindsay	Warner
Beutler	Hall	Horgan	Moore	Will

Present and not voting, 3:

Chizek Haberman Schmit

Excused and not voting, 6:

Abboud Robak Schimek Wesely Withem
Lynch

The Wickersham motion to return lost with 24 ayes, 16 nays, 3 present and not voting, and 6 excused and not voting.

Mr. Hall moved to return LR 1CA to Select File for the following specific amendment:

AM079S

(Amendments to Final Reading copy)

- 1 1. Strike the original sections and all
- 2 amendments thereto and insert the following new
- 3 sections:
- 4 "Section 1. That at a special election on
- 5 September 17, 1991, there shall be submitted to the
- 6 electors of the State of Nebraska for approval the
- 7 following amendment to the Constitution of Nebraska by
- 8 amending Article VIII, section 2, which is hereby
- 9 proposed by the Legislature:
- 10 CVIII-2 'The property of the state and its
- 11 governmental subdivisions shall be exempt from taxation.
- 12 The Legislature by general law may exempt property owned
- 13 by and used exclusively for agricultural and
- 14 horticultural societies, and property owned and used
- 15 exclusively for educational, religious, charitable, or
- 16 cemetery purposes, when such property is not owned or
- 17 used for financial gain or profit to either the owner or
- 18 user. Household goods and personal effects, as defined
- 19 by law, may be exempted from taxation in whole or in
- 20 part, as may be provided by general law, and the
- 1 Legislature may prescribe a formula for the
- 2 determination of value of household goods and personal
- 3 effects. The Legislature by general law may provide
- 4 that the increased value of land by reason of shade or

5 ornamental trees planted along the highway shall not be
6 taken into account in the assessment of such land. The
7 Legislature by general law and upon any terms,
8 conditions, and restrictions it prescribes; may provide
9 that the increased value of real property resulting from
10 improvements designed primarily for energy conservation
11 may be exempt from taxation. The value of a home
12 substantially contributed by the Veterans'
13 ~~Administration of the United States Department of~~
14 ~~Veterans Affairs~~ for a paraplegic veteran or multiple
15 amputee shall be exempt from taxation during the life of
16 such veteran or until the death of ~~or his widow or her~~
17 ~~remarriage of his or her surviving spouse.~~ The
18 Legislature may exempt from an intangible property tax
19 life insurance and life insurance annuity contracts and
20 any payment connected therewith and any right to pension
21 or retirement payments. The Legislature may classify
22 personal property in such manner as it sees fit; and may
23 exempt any ~~of~~ such class or classes; or ~~may~~ exempt all
24 personal property from taxation. No property shall be
1 exempt from taxation except as provided in ~~the~~ this
2 Constitution. The Legislature may by general law
3 provide that a portion of the value of any residence
4 actually occupied as a homestead by any classification
5 of owners as determined by the Legislature shall be
6 exempt from taxation.

7 Notwithstanding Article III, section 18, of
8 this Constitution or any other provision of this
9 Constitution, for calendar years 1991 and 1992, all
10 tangible personal property except motor vehicles shall
11 be exempt from taxation by valuation and shall not be
12 required to be taxed uniformly and proportionately with
13 real property. Such exemption shall not give any claim
14 for nonassessment of property, assessment of exempt
15 property, or equalization of the valuation of real
16 property with the valuation of exempt tangible personal
17 property.'

18 Sec. 2. That the proposed amendment shall be
19 submitted to the electors in the manner prescribed by
20 the Constitution of Nebraska, Article XVI, section 1.
21 The proposition for the submission of the proposed
22 amendment shall be placed upon the ballot in the
23 following form:

24 'A constitutional amendment to provide that

1 for calendar years 1991 and 1992 all tangible
 2 personal property except motor vehicles shall
 3 be exempt from taxation by valuation and shall
 4 not be required to be taxed uniformly and
 5 proportionately with real property and to
 6 provide that such exemption shall not give any
 7 claim for nonassessment of property,
 8 assessment of exempt property, or equalization
 9 of the valuation of real property with the
 10 valuation of exempt tangible personal
 11 property.

12 For

13 Against.

14 Sec. 3. That the proposed amendment, if
 15 adopted, shall be in force and take effect immediately
 16 upon the completion of the canvass of the votes, at
 17 which time it shall be the duty of the Governor to
 18 proclaim it as a part of the Constitution of Nebraska.”.

PRESIDENT MOUL PRESIDING

Mr. Haberman moved the previous question. The question is, “Shall the debate now close?” The motion lost with 12 ayes, 14 nays, and 23 not voting.

Mrs. Labeledz asked unanimous consent to be excused until she returns. No objections. So ordered.

Mr. Hall withdrew his pending motion to return.

Mr. Ashford moved to return LR ICA to Select File for the following specific amendment:

AM074S

(Amendments to Final Reading copy)

- 1 1. On page 8, after line 2, insert the
- 2 following:
- 3 “If the following tangible personal property
- 4 is taxed based on its value, it shall be assessed at not
- 5 less than twenty-five percent of its taxable value:
- 6 (a) Business inventory;
- 7 (b) Feed, fertilizer, and farm inventory; and
- 8 (c) Grain, seed, livestock, poultry, fish,
- 9 honeybees, and fur-bearing animals.”.
- 10 2. On page 10, line 13, after the semicolon

- 11 insert "to authorize certain described personal property
- 12 to be assessed at not less than twenty-five percent of
- 13 its taxable value;".

Mr. Coordsen asked unanimous consent to be excused until he returns. No objections. So ordered.

Mr. Ashford withdrew his pending motion to return.

MOTION - Bracket LR 1CA

Mr. Lindsay moved to bracket LR 1CA until July 21, 1991.

Mr. Lindsay withdrew his motion to bracket.

RESOLUTION ON FINAL READING

The following resolution was read and put upon final passage:

LEGISLATIVE RESOLUTION 1CA.

A Resolution to propose an amendment to the Constitution of Nebraska by amending Article VIII, sections 1, 2, and 2A, by adding a new section 13 to Article VIII, and by repealing Article VIII, section 10.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NINETY-SECOND LEGISLATURE OF NEBRASKA, FIRST SPECIAL SESSION:

Section 1. That at a special election on September 17, 1991, there shall be submitted to the electors of the State of Nebraska for approval the following amendment to the Constitution of Nebraska by amending Article VIII, sections 1, 2, and 2A, by adding a new section 13 to Article VIII, and by repealing Article VIII, section 10, which is hereby proposed by the Legislature:

~~CVIII-1 "The necessary revenue of the state and its governmental subdivisions shall be raised by taxation in such manner as the Legislature may direct. Taxes shall be levied by valuation uniformly and proportionately upon all tangible property and franchises, except that: (1) The Legislature may provide for a different method of taxing motor vehicles and may also establish a separate class of motor vehicles consisting of those owned and held for resale by motor vehicle dealers which shall be taxed in the manner and to the extent provided by the Legislature and may also establish a separate class for trucks, trailers, semitrailers, truck tractors, or combinations~~

thereof, consisting of those owned by residents and nonresidents of this state, and operating in interstate commerce, and may provide reciprocal and proportionate taxation of such vehicles; PROVIDED, that such tax proceeds from motor vehicles taxed in each county shall be allocated to the state, counties, townships, cities, villages, and school districts of such county in the same proportion that the levy of each bears to the total levy of the county on personal tangible property; and (2) the Legislature may provide that agricultural land and horticultural land, as defined by the Legislature, shall constitute a separate and distinct class of property for purposes of taxation and may provide for a different method of taxing agricultural land and horticultural land which results in values that are not uniform and proportionate with all other tangible property and franchises but which results in values that are uniform and proportionate upon all property within the class of agricultural land and horticultural land. The Legislature may enact laws to provide that the value of land actively devoted to agricultural or horticultural use shall for property tax purposes be that value which such land has for agricultural or horticultural use without regard to any value which such land might have for other purposes or uses and may prescribe standards and methods for the determination of the value of real or other tangible property at uniform and proportionate values. Taxes uniform as to class of property or the ownership or use thereof may be levied by valuation or otherwise upon classes of intangible property as the Legislature may determine, and such intangible property held in trust or otherwise for the purpose of funding pension, profit sharing, or other employee benefit plans as defined by the Legislature may be declared exempt from taxation. Taxes other than property taxes may be authorized by law. Existing revenue laws shall continue in effect until changed by the Legislature. The Legislature may provide that livestock shall constitute a separate and distinct class of property for purposes of taxation and may further provide for reciprocal and proportionate taxation of livestock located in this state for only part of a year. Taxes shall be levied on real property and franchises by valuation uniformly and proportionately except that:

(1) The following real property shall be exempt from ad valorem taxation:

(a) The property of the state and its governmental subdivisions;

(b) Property owned by and used exclusively for agricultural and horticultural societies and property used exclusively for educational, religious, charitable, or cemetery purposes when such property is not owned or used for financial gain or profit to either the owner or the user; and

(c) The value of a home substantially contributed by the United States Department of Veterans Affairs for a paraplegic veteran or multiple amputee during the life of such veteran or until the death or remarriage of his or her surviving spouse; and

(2) The following classes of real property may be taxed as follows:

(a) The Legislature may provide that agricultural and horticultural land as defined by the Legislature shall constitute a separate and distinct class of property for purposes of taxation and may provide for a different method of taxing such land which results in values that are not uniform and proportionate with respect to all other real property but which results in values that are uniform and proportionate with respect to all property within the class;

(b) The Legislature may provide that the value of land actively devoted to agricultural or horticultural use shall for property tax purposes be that value which the land has for agricultural or horticultural use without regard to any value which the land might have for other purposes; and

(c) The Legislature may provide that a portion of the value of any residence actually occupied as a homestead by any classification of owners as determined by the Legislature shall be exempt from taxation.

The Legislature may prescribe standards and methods for the determination of the value of real property and franchises at uniform and proportionate values. The provisions in this section shall have no application to the taxation of tangible or intangible personal property."

~~CVIII-2 "The property of the state and its governmental subdivisions shall be exempt from taxation. The Legislature by general law may exempt property owned by and used exclusively for agricultural and horticultural societies, and property owned and used exclusively for educational, religious, charitable, or cemetery purposes, when such property is not owned or used for financial gain or profit to either the owner or user. Household goods and personal effects, as defined by law, may be exempted from taxation in whole or in part, as may be provided by general law, and the Legislature may prescribe a formula for the determination of value of household goods and personal effects. The Legislature by general law may provide that the increased value of land by reason of shade or ornamental trees planted along the highway shall not be taken into account in the assessment of such land. The Legislature by general law and upon any terms, conditions, and restrictions it prescribes, may provide that the increased value of real property resulting from improvements designed primarily for energy conservation may be exempt from taxation. The value of a home substantially contributed~~

by the Veterans' Administration of the United States for a paraplegic veteran or multiple amputee shall be exempt from taxation during the life of such veteran or until the death of his widow or her remarriage. ~~The Legislature may exempt from an intangible property tax life insurance and life insurance annuity contracts and any payment connected therewith and any right to pension or retirement payments. The Legislature may classify personal property in such manner as it sees fit, and may exempt any of such classes, or may exempt all personal property from taxation. No property shall be exempt from taxation except as provided in the Constitution. The Legislature may by general law provide that a portion of the value of any residencee actually occupied as a homestead by any classification of owners as determined by the Legislature shall be exempt from taxation. The Legislature may provide for the taxation of tangible personal property in whole or in part by any method.~~

The following tangible personal property shall be exempt from ad valorem taxation:

- (1) The property of the state and its governmental subdivisions;
- (2) Property owned by and used exclusively for agricultural and horticultural societies and property used exclusively for educational, religious, charitable, or cemetery purposes when such property is not owned or used for financial gain or profit to either the owner or the user; and
- (3) Household goods and personal effects, as defined by the Legislature.

Notwithstanding Article III, section 18, of this Constitution or any other provision of this Constitution, the Legislature may make classifications within the class of tangible personal property in such manner as it sees fit and may exempt any such class or classes or all tangible personal property from taxation. Any legislative act to classify tangible personal property, to tax or exempt from taxation any class or classes of or all tangible personal property, or to change or repeal any classification of tangible personal property shall be approved by at least three-fifths of the members of the Legislature."

CVIII-2A "The Legislature may establish bonded and licensed warehouses or storage areas for goods, wares and merchandise in transit in the state which are intended for and which are shipped to final destinations outside this state upon leaving such warehouses or storage areas, and may exempt such goods, wares and merchandise from ad valorem taxation while in such storage areas. Taxes uniform as to class of property or the ownership or use thereof may be levied by valuation or otherwise upon classes of intangible property as the Legislature may determine, and such intangible property held in trust or otherwise for the purpose of funding pension, profit-sharing, or

other employee benefit plans as defined by the Legislature may be declared exempt from taxation. The Legislature may exempt from an intangible property tax life insurance and life insurance annuity contracts and any payment connected therewith and any right to pension or retirement payments."

CVIII-10 "Article VIII, section 10, of the Constitution of Nebraska is repealed."

CVIII-13 "The necessary revenue of the state and its governmental subdivisions shall be raised by taxation in such manner as the Legislature may direct. Taxes other than property taxes may be authorized by law. Existing revenue laws shall continue in effect until changed by the Legislature."

Sec. 2. That the proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1. The proposition for the submission of the proposed amendment shall be placed upon the ballot in the following form:

"A constitutional amendment to provide that taxes shall be levied on real property and franchises by valuation uniformly and proportionately; to exempt specified real property and tangible personal property from ad valorem taxation; to provide how the Legislature may tax certain classes of real property; to provide that existing revenue laws shall continue in effect until changed by the Legislature; to authorize the Legislature to provide for the taxation of tangible personal property in whole or in part by any method, to make classifications of tangible personal property, and to exempt any such class or classes or all tangible personal property from taxation; to require a three-fifths vote of the members of the Legislature to classify, tax, or exempt from tax tangible personal property or to change or repeal any such classification; to restate provisions relating to taxation of intangible property; and to eliminate specific provisions relating to taxation of real and personal property and provisions relating to bonded and licensed warehouses or storage areas.

For

Against".

Sec. 3. That the proposed amendment, if adopted, shall be in force and take effect immediately upon the completion of the canvass of the votes, at which time it shall be the duty of the Governor to proclaim it as a part of the Constitution of Nebraska.

Mr. Chambers requested a roll call vote.

Whereupon the President stated: "All provisions of law relative to procedure having been complied with, the question is, 'Shall the resolution pass?'"

Voting in the affirmative, 29:

Baack	Byars	Hefner	Landis	Robinson
Bernard-	Chizek	Hillman	Moore	Rogers
Stevens	Conway	Horgan	Morrissey	Schimek
Beutler	Coordsen	Johnson, R.	Nelson	Warner
Beyer	Cudaback	Kristensen	Pirsch	Wehrbein
Bohlke	Dierks	Labedz	Robak	Wickersham

Voting in the negative, 15:

Ashford	Elmer	Hartnett	Lindsay	Schmit
Chambers	Haberman	Johnson, L.	Peterson	Schrock
Crosby	Hall	Lamb	Schellpeper	Will

Present and not voting, 1:

Rasmussen

Excused and not voting, 4:

Abboud	Lynch	Wesely	Withem
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Having failed to receive a constitutional four-fifths majority voting in the affirmative, the resolution failed to pass for the special election.

MOTION - Adjourn Sine Die

Mr. Kristensen moved to adjourn sine die.

Mr. Chambers requested a roll call vote on the motion to adjourn.

Voting in the affirmative, 21:

Ashford	Chizek	Hartnett	Kristensen	Peterson
Baack	Crosby	Hefner	Labedz	Schellpeper
Bernard-	Dierks	Hillman	Lamb	Schimek
Stevens	Elmer	Johnson, L.	Lindsay	Schmit
Beyer	Haberman			

Voting in the negative, 22:

Beutler	Cudaback	Moore	Rasmussen	Warner
Bohlke	Hall	Morrissey	Robak	Wehrbein
Byars	Horgan	Nelson	Robinson	Wickersham
Chambers	Johnson, R.	Pirsch	Rogers	Will
Conway	Landis			

Present and not voting, 2:

Coordsen Schrock

Excused and not voting, 4:

Abboud Lynch Wesely Withem

The motion to adjourn sine die lost with 21 ayes, 22 nays, 2 present and not voting, and 4 excused and not voting.

MOTION - Return LR 1CA to Select File

Mr. Hall moved to return LR 1CA to Select File for the following specific amendment:

AM081S

(Amendments to Final Reading copy)

- 1 1. Strike the original sections and all
- 2 amendments thereto and insert the following new
- 3 sections:
- 4 "Section 1. That at a special election on
- 5 September 17, 1991, there shall be submitted to the
- 6 electors of the State of Nebraska for approval the
- 7 following amendment to the Constitution of Nebraska by
- 8 amending Article VIII, section 2, which is hereby
- 9 proposed by the Legislature:
- 10 CVIII-2 'The property of the state and its
- 11 governmental subdivisions shall be exempt from taxation.
- 12 The Legislature by general law may exempt property owned
- 13 by and used exclusively for agricultural and
- 14 horticultural societies, and property owned and used
- 15 exclusively for educational, religious, charitable, or
- 16 cemetery purposes, when such property is not owned or
- 17 used for financial gain or profit to either the owner or
- 18 user. Household goods and personal effects, as defined

19 by law, may be exempted from taxation in whole or in
20 part, as may be provided by general law, and the
1 Legislature may prescribe a formula for the
2 determination of value of household goods and personal
3 effects. The Legislature by general law may provide
4 that the increased value of land by reason of shade or
5 ornamental trees planted along the highway shall not be
6 taken into account in the assessment of such land. The
7 Legislature by general law and upon any terms,
8 conditions, and restrictions it prescribes, may provide
9 that the increased value of real property resulting from
10 improvements designed primarily for energy conservation
11 may be exempt from taxation. The value of a home
12 substantially contributed by the Veterans'
13 ~~Administration of the United States Department of~~
14 ~~Veterans Affairs~~ for a paraplegic veteran or multiple
15 amputee shall be exempt from taxation during the life of
16 such veteran or until the death of or his widow or her
17 remarriage of his or her surviving spouse. The
18 Legislature may exempt from an intangible property tax
19 life insurance and life insurance annuity contracts and
20 any payment connected therewith and any right to pension
21 or retirement payments. The Legislature may classify
22 personal property in such manner as it sees fit, and may
23 exempt any ~~of~~ such class or classes, or ~~may~~ exempt all
24 personal property from taxation. No property shall be
1 exempt from taxation except as provided in this
2 Constitution. The Legislature may by general law
3 provide that a portion of the value of any residence
4 actually occupied as a homestead by any classification
5 of owners as determined by the Legislature shall be
6 exempt from taxation.
7 Notwithstanding Article III, section 18. of
8 this Constitution or any other provision of this
9 Constitution, for calendar years 1991 and 1992, all
10 tangible personal property, except motor vehicles which
11 are required to be registered and which are not exempt
12 from taxation by valuation by law, shall be exempt from
13 taxation by valuation and shall not be required to be
14 taxed uniformly and proportionately with real property.
15 Such exemption shall not give any claim for
16 nonassessment of property, assessment of exempt
17 property, or equalization of the valuation of real
18 property with the valuation of exempt tangible personal

19 property.

20 Sec. 2. That the proposed amendment shall be
21 submitted to the electors in the manner prescribed by
22 the Constitution of Nebraska, Article XVI, section 1.
23 The proposition for the submission of the proposed
24 amendment shall be placed upon the ballot in the
1 following form:

2 'A constitutional amendment to provide that
3 for calendar years 1991 and 1992, all tangible
4 personal property, except certain motor
5 vehicles, shall be exempt from taxation by
6 valuation and shall not be required to be
7 taxed uniformly and proportionately with real
8 property and to provide that such exemption
9 shall not give any claim for nonassessment of
10 property, assessment of exempt property, or
11 equalization of the valuation of real property
12 with the valuation of exempt tangible personal
13 property.

14 For

15 Against'.

16 Sec. 3. That the proposed amendment, if
17 adopted, shall be in force and take effect immediately
18 upon the completion of the canvass of the votes, at
19 which time it shall be the duty of the Governor to
20 proclaim it as a part of the Constitution of Nebraska."

SPEAKER BAACK PRESIDING

Mr. Lamb moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 25 ayes, 7 nays, and 17 not voting.

The Hall motion to return prevailed with 26 ayes, 18 nays, 2 present and not voting, and 3 excused and not voting.

MOTION - Approve Appointment

Mr. Conway moved the adoption of the report of the Government, Military and Veterans Affairs Committee for the following Governor appointment found in this day's Journal: Jean Lovell - Executive Director, Nebraska Commission on Law Enforcement and Criminal Justice.

Voting in the affirmative, 41:

Abboud	Chizek	Hartnett	Landis	Rogers
Ashford	Conway	Hefner	Moore	Schellpeper
Baack	Coordsen	Hillman	Morrissey	Schimek
Bernard-	Crosby	Horgan	Nelson	Schmit
Stevens	Cudaback	Johnson, L.	Peterson	Warner
Beutler	Dierks	Johnson, R.	Pirsch	Wehrbein
Beyer	Elmer	Kristensen	Rasmussen	Wickersham
Bohlke	Haberman	Labeledz	Robinson	Will
Byars	Hall			

Voting in the negative, 0.

Present and not voting, 5:

Chambers	Lamb	Lindsay	Robak	Schrock
----------	------	---------	-------	---------

Excused and not voting, 3:

Lynch	Wesely	Withem
-------	--------	--------

The appointment was confirmed with 41 ayes, 0 nays, 5 present and not voting, and 3 excused and not voting.

MOTION - Adjourn Sine Die

Mr. Hall moved to adjourn sine die.

Mr. Chambers requested a roll call vote on the motion to adjourn sine die.

Voting in the affirmative, 31:

Abboud	Chizek	Hall	Lamb	Rogers
Ashford	Coordsen	Hartnett	Landis	Schellpeper
Baack	Crosby	Hefner	Lindsay	Schimek
Bernard-	Cudaback	Hillman	Morrissey	Schmit
Stevens	Dierks	Johnson, L.	Peterson	Schrock
Beyer	Elmer	Kristensen	Rasmussen	Will
Bohlke	Haberman			

Voting in the negative, 14:

Beutler	Conway	Moore	Robak	Wehrbein
Byars	Horgan	Nelson	Robinson	Wickersham
Chambers	Johnson, R.	Pirsch	Warner	

Present and not voting, 1:

Labeledz

Excused and not voting, 3:

Lynch Wesely Withem

The motion to adjourn sine die prevailed with 31 ayes, 14 nays, 1 present and not voting, and 3 excused and not voting, and at 3:59 p.m., the Legislature adjourned sine die.

Patrick J. O'Donnell
Clerk of the Legislature

RECEIVED AFTER ADJOURNMENT

LEGISLATIVE JOURNAL

**NINETY-SECOND LEGISLATURE
FIRST SPECIAL SESSION**

MESSAGE FROM THE GOVERNOR

July 24, 1991

Patrick J. O'Donnell
Clerk of the Legislature
State Capitol
Lincoln, NE 68509

Dear Mr. O'Donnell:

Engrossed Legislative Bill 2 was received in my office on July 19, 1991.

This bill was signed by me on July 24, 1991, and delivered to the Secretary of State.

Sincerely,
(Signed) E. Benjamin Nelson
Governor

MESSAGE FROM THE SECRETARY OF STATE

July 24, 1991

Mr. Patrick J. O'Donnell
Clerk of the Legislature
Room 2018, State Capitol
Lincoln, NE 68509

Dear Mr. Clerk:

This letter is to inform you that Governor E. Benjamin Nelson signed Legislative Bill 2, which was passed by the Ninety-Second

Legislature at its First Special Session on July 19, 1991. I also want to inform you that Governor Nelson signed Legislative Bill 2 on the 24th day of July at 12:15 P.M.

Further I hereby notify you that Governor Nelson delivered Legislative Bill 2 to the Office of the Secretary of State at 1:53 P.M. on July 24, 1991, and that said bill was officially filed at that moment in the Office of the Secretary of State.

Finally, I would request of you to place a copy of this letter in the Legislative Journal for the Special Session just concluded indicating that Engrossed Legislative Bill 2 has been signed by the Governor.

Respectfully submitted,
(Signed) ALLEN J. BEERMANN
Secretary of State

AJB:lat

CERTIFICATE

I, Patrick J. O'Donnell, Clerk of the Legislature, hereby certify that the foregoing communications are true and correct copies of letters provided concerning action on bills after adjournment of the Ninety-Second Legislature, First Special Session.

Patrick J. O'Donnell
Clerk of the Legislature

July 25, 1991
Lincoln, Nebraska

CHRONOLOGY OF BILLS

NINETY-SECOND LEGISLATURE FIRST SPECIAL SESSION 1991

LEGISLATIVE BILL 1. By Speaker Baack at the request of the Governor

July 8	Read first time	23
July 9	Referred to Committee on Revenue	45
July 9	Notice of hearing (7/10)	47
July 19	Indefinitely postponed, pursuant to Rule 9, Sec. 8	

LEGISLATIVE BILL 2. By Speaker Baack at the request of the Governor

July 8	Read first time	23
July 9	Placed on General File	45
July 10	Advanced for Review	57
July 12	Placed on Select File	58
July 15	Warner AM024S printed	86
July 16	Warner pending AM024S p. 86 adopted. Advanced for Engrossment	89
July 16	Correctly Engrossed	93
July 19	Final Reading w/E 39-1-9	131
July 19	President signed	133
July 19	Presented to Governor (7/19)	137
July 25	Approved by Governor (7/24). Message from Secretary of State	153

LEGISLATIVE BILL 3. By Speaker Baack at the request of the Governor

July 8	Read first time	23
July 9	Placed on General File	45
July 10	Advanced for Review	57
July 12	Placed on Select File	58
July 16	Advanced for Engrossment	89

July 16	Correctly Engrossed	93
July 19	Bracketed until LR1CA has been read on Final Reading	132
July 19	Indefinitely postponed, pursuant to Rule 9, Sec. 8	

LEGISLATIVE BILL 4. By Will

July 8	Read first time	44
July 9	Referred to Committee on Revenue	45
July 9	Notice of hearing (7/10)	47
July 19	Indefinitely postponed, pursuant to Rule 9, Sec. 8	

LEGISLATIVE BILL 5. By Schmit, R. Johnson, Dierks, Lamb

July 12	Read first time	64
July 12	Referred to Committee on Revenue. Notice of hearing (7/15)	65
July 19	Indefinitely postponed, pursuant to Rule 9, Sec. 8	

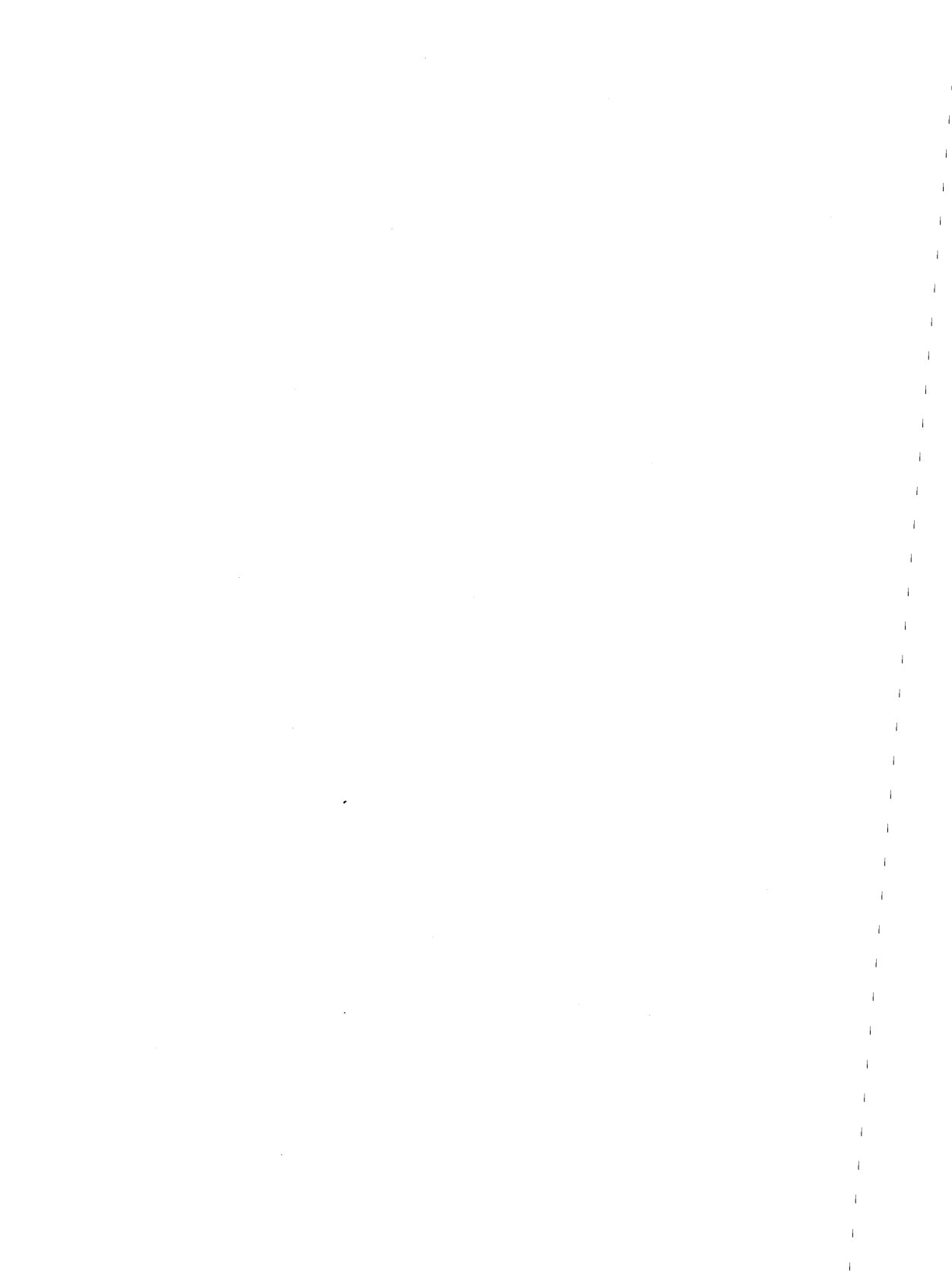
LEGISLATIVE BILL 6. By Revenue Committee

July 12	Read first time	64
July 12	Referred to Committee on Revenue. Notice of hearing (7/15)	65
July 15	Placed on General File	86
July 16	Hall AM020S (on file) lost. Pending	97
July 16	Hall AM029S printed	99
July 17	Baack motion to reconsider Hall AM020S p. 97 prevailed. Hall reconsidered AM020S p. 97 adopted. Hall pending AM029S p. 99 adopted. Schmit-Rogers-Wehrbein-Elmer- Lamb AM038S lost. Pending	110
July 17	Schmit AM060S lost. Baack-Lindsay-Kristensen- Bernard-Stevens-Moore-Hartnett-Conway AM054S and Warner AM040S adopted. Advanced for Review	116
July 17	Placed on Select File - AM5177	123
July 17	AM5177 (E & R) adopted. Conway AM063S and Hall AM051S adopted. Elmer AM070S lost. Advanced for Engrossment	124
July 17	Correctly Engrossed. ER7123 change	128
July 19	Returned to Select File for Chambers amendment. Chambers FA8S adopted.	

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	Advanced for Re-Engrossment	132
July 19	Indefinitely postponed, pursuant to Rule 9, Sec. 8	



CHRONOLOGY OF CONSTITUTIONAL AMENDMENT RESOLUTIONS

NINETY-SECOND LEGISLATURE FIRST SPECIAL SESSION 1991

LEGISLATIVE RESOLUTION 1CA. By Speaker Baack at request of Governor

July	8	Read first time	23
July	8	Referred to Reference Committee	26
July	9	Referred to Committee on Revenue	46
July	9	Notice of hearing (7/10)	47
July	13	Placed on General File - Com AM014S	71
July	15	Chambers FA1S to committee AM14S lost	85
July	16	Beutler-Ashford AM032S lost. Hall-Baack AM031S to committee AM014S adopted. Landis AM033S to committee AM014S sustained division of question. Landis FA2S adopted. Landis FA3S pending	89
July	16	Landis pending FA3S p. 92 adopted. Pending	95
July	16	Ashford AM36S lost. Committee AM014S adopted as amended. Advanced for Review	96
July	17	Placed on Select File - AM5176	102
July	17	AM5176 (E & R) adopted. Lindsay-Baack- Bernard-Stevens-Moore-Hartnett-Kristensen AM055S adopted. Beutler FA6S lost. Chambers FA7S withdrawn. Hall-Wickersham AM071S adopted. Advanced for Engrossment	120
July	17	Correctly Engrossed	128
July	19	Returned to Select File for Lamb-Chambers amendment. Lamb-Chambers FA9S lost. Readvanced to Final Reading. Wickersham motion to return to Select File for AM073S pending	135
July	19	Wickersham pending motion p. 137 lost. Hall motion to return to Select File for AM079S and Ashford motion to return to Select File	

		for AM074S withdrawn	138
July	19	Lindsay motion to bracket until 7/21/91 withdrawn. Failed on Final Reading w/29-15-5	142
July	19	Returned to Select File for Hall amendment. Hall AM081S pending	148
July	19	Indefinitely postponed, pursuant to Rule 9, Sec. 8	

LEGISLATIVE RESOLUTION 2CA. By Warner

July	8	Read first time	26
July	8	Referred to Reference Committee	29
July	9	Referred to Committee on Revenue	46
July	9	Notice of hearing (7/10)	47
July	19	Indefinitely postponed, pursuant to Rule 9, Sec. 8	

LEGISLATIVE RESOLUTION 3CA. By Warner

July	8	Read first time	29
July	8	Referred to Reference Committee	30
July	9	Referred to Committee on Revenue	46
July	9	Notice of hearing (7/10)	47
July	19	Indefinitely postponed, pursuant to Rule 9, Sec. 8	

LEGISLATIVE RESOLUTION 4CA. By Schmit

July	8	Read first time	30
July	8	Referred to Reference Committee	31
July	9	Referred to Committee on Revenue	46
July	9	Notice of hearing (7/10)	47
July	19	Indefinitely postponed, pursuant to Rule 9, Sec. 8	

LEGISLATIVE RESOLUTION 5CA. By Hartnett

July	8	Read first time	32
July	8	Referred to Reference Committee	36
July	9	Referred to Committee on Revenue	46
July	9	Notice of hearing (7/10)	47
July	19	Indefinitely postponed, pursuant to Rule 9, Sec. 8	

LEGISLATIVE RESOLUTION 6CA. By Withem, Lindsay

July	8	Read first time	36
July	8	Referred to Reference Committee	41
July	9	Referred to Committee on Revenue	46

**CHRONOLOGY OF CONSTITUTIONAL
AMENDMENT RESOLUTIONS**

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July 9	Notice of hearing (7/10)	47
July 19	Indefinitely postponed, pursuant to Rule 9, Sec. 8	

LEGISLATIVE RESOLUTION 7CA. By Hall

July 8	Read first time	41
July 8	Referred to Reference Committee	44
July 9	Referred to Committee on Revenue	46
July 9	Notice of hearing (7/10)	47
July 19	Indefinitely postponed, pursuant to Rule 9, Sec. 8	

LEGISLATIVE RESOLUTION 8CA. By Moore

July 9	Read first time	48
July 9	Referred to Reference Committee. Referred to Committee on Revenue. Notice of hearing (7/10)	53
July 19	Indefinitely postponed, pursuant to Rule 9, Sec. 8	

LEGISLATIVE RESOLUTION 9CA. By Hall

July 10	Read first time	55
July 10	Referred to Reference Committee. Referred to Committee on Revenue	56
July 10	Notice of hearing (7/12)	57
July 19	Indefinitely postponed, pursuant to Rule 9, Sec. 8	

**LEGISLATIVE BILLS AND
CONSTITUTIONAL AMENDMENT RESOLUTIONS
BY INTRODUCERS**

DENNIS G. BAACK

- LB**
1** Change certain tax levy certification dates for 1991.
2** Appropriate funds for First Special Session.
3** Appropriate funds to the Secretary of State for special election.
- LR**
1CA** Provide division of personal property from real property for purposes of taxation.

MERTON L. DIERKS

- LB**
5* Eliminate the personal property tax.

TIMOTHY J. HALL

- LR**
7CA Establish limits on budgets funded by property taxes by political subdivisions.
9CA Exempt tangible and intangible personal property from taxation for 1991.

D. PAUL HARTNETT

- LR**
5CA Authorize the Legislature to classify tangible property for purposes of taxation.

ROD JOHNSON

- LB**
5* Eliminate the personal property tax.

HOWARD A. LAMB

- LB**
5* Eliminate the personal property tax.

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JOHN C. LINDSAY

LR
6CA* Provide alternative constitutional amendments for taxation of personal property.

SCOTT MOORE

LR
8CA Provide alternative constitutional amendments for purposes of property taxation.

LORAN SCHMIT

LB
5* Eliminate the personal property tax.

LR
4CA Authorize the Legislature to provide for taxation in such manner as it may direct.

JEROME WARNER

LR
2CA Remove personal property from uniform valuation provisions.
3CA Provide for termination and extension of property tax exemptions.

ERIC WILL

LB
4 Eliminate certain items from the personal property tax exemption.

RON WITHEM

LR
6CA* Provide alternative constitutional amendments for taxation of personal property.

REVENUE

LB
6 Change provisions relating to levy certification dates and property tax.

***** With others.

****** At the request of the Governor.

**LEGISLATIVE BILLS AND RESOLUTIONS
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Revenue

Chairperson - Timothy J. Hall

LB1	LB6	LR2CA	LR4CA	LR6CA	LR8CA
LB4	LR1CA	LR3CA	LR5CA	LR7CA	LR9CA
LB5					

SUMMARY OF LEGISLATION

Ninety-Second Legislature, First Special Session

The following table shows the final disposition:

Total Number of Bills Introduced	6
Total Number of Resolutions Introduced	10

Approved by Governor: (1)

LB2e

Indefinitely Postponed: (14)

LB1	LB5	LR2CA	LR4CA	LR6CA	LR8CA
LB3	LB6	LR3CA	LR5CA	LR7CA	LR9CA
LB4	LR1CA				

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Hillebrandt, J. Patrick - Nebraska Gasohol Committee	66, 68, 93, 110
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